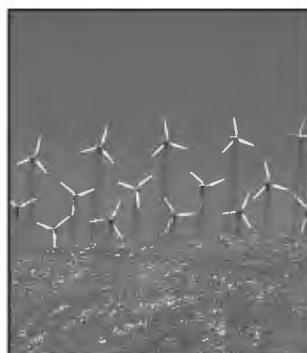


# Fiscal Year 2012 The Interior Budget in Brief

February 2011





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# FOREWORD

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## BACKGROUND AND ORGANIZATION

This document summarizes and highlights the programs of the Department of the Interior and its 2012 President's budget request. The **DEPARTMENTAL OVERVIEW** section summarizes budgetary resource requirements at the Department level. The **DEPARTMENTAL HIGHLIGHTS** section presents major Department-wide initiatives, programs, and budget proposals. The **BUREAU HIGHLIGHTS** section presents a narrative summary of the budget request for each bureau and an in-depth comparison in tabular form of 2010 - 2012 budgetary resource estimates with brief descriptions of programmatic changes. The 2012 level reflects the creation of the Bureau of Ocean Energy Management, Regulation and Enforcement and the transfer of the Office of Natural Resources Revenue to the Office of the Secretary. The **APPENDICES** present tabular summaries of pertinent budgetary data. Appendix A is a Department-wide table, comparing the 2012 request with the 2010 Enacted/2011 CR level and 2010 actual amounts. Other appendices contain summaries of Interior initiatives and crosscutting programs including energy; cooperative landscape conservation; water; youth; land acquisition; Chesapeake Bay; Great Lakes; Everglades; oceans; invasive species; maintenance and construction; recreational fees; grants and payments; receipt estimates; mineral revenue payments to States; and staffing levels.

## USAGE AND TERMINOLOGY

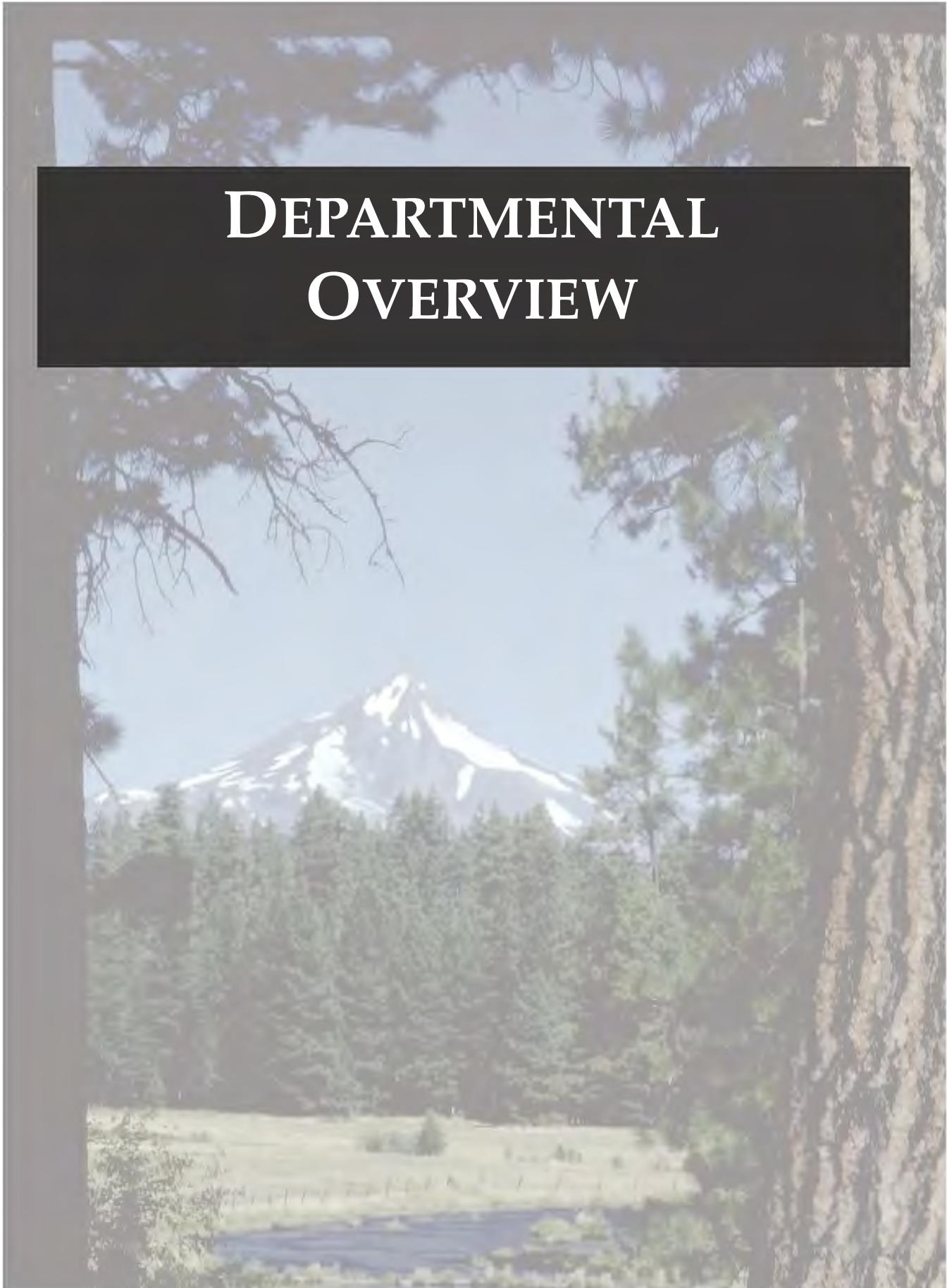
All years referenced are fiscal years unless noted, and amounts presented reflect budget authority unless otherwise specified. Numbers in tables and graphs may not add to totals because of rounding. Numbers shown in brackets [ ] are displayed for informational purposes and are not included in totals.

References to **2010 Actual**, **2010 Appropriations**, or **2010 Enacted** signify amounts appropriated primarily in the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2010, P.L. 111-88 and Energy and Water Development Appropriations Act, 2010, P.L. 111-85. References to **2010 Enacted/2011 CR** signify annualized amounts appropriated in P.L. 111-322, making further continuing appropriations for 2011, which funds the Federal government through March 4, 2011. For the most part, these amounts are the 2010 enacted numbers annualized through the end of 2011. Exceptions to this include BOEMRE, which received an anomaly in the 2011 CR adding \$23.1 million. Project level details for construction, land acquisition, and the Bureau of Reclamation are displayed at the 2011 request level and are adjusted to the 2010 Enacted / 2011 CR level at the account level. **Fixed costs** refer to costs that are unavoidable in the short term (e.g., GSA-negotiated space rate costs, unemployment compensation, and government-wide changes in health benefits). Additional information on the basis for the amounts used in this document is provided in the note following Appendix A.

A listing of frequently used acronyms follows:

BLM	Bureau of Land Management	ONRR	Office of Natural Resources Revenue
BOEMRE	Bureau of Ocean Energy Management, Regulation and Enforcement	OIA	Office of Insular Affairs
OSM	Office of Surface Mining Reclamation and Enforcement	SOL	Office of the Solicitor
CUPCA	Central Utah Project Completion Act	OIG	Office of Inspector General
USGS	U.S. Geological Survey	OST	Office of the Special Trustee for American Indians
FWS	Fish and Wildlife Service	NIGC	National Indian Gaming Commission
NPS	National Park Service	DWP	Department-wide Programs
BIA	Bureau of Indian Affairs	PILT	Payments in Lieu of Taxes
BIE	Bureau of Indian Education	NBC	National Business Center
OS	Office of the Secretary	NRDAR	Natural Resource Damage Assessment and Restoration
DO	Departmental Offices	LWCF	Land and Water Conservation Fund





# DEPARTMENTAL OVERVIEW



# Introduction



The last day of the Thirtieth Congress, March 3, 1849, was also the eve of President-elect Zachary Taylor's inauguration. The House of Representatives and the Senate were busy at work on two bills: the first, to find a formula for giving the newly acquired territory of California a civil government. The second, no less contentious, was also related to the recent enlargement of the national domain: legislation to create a Cabinet agency known as the Home Department, or Department of the Interior. The bill to create such a Department passed the House of Representatives on February 15, 1849. Two weeks later, the bill reached the Senate floor and late in the evening of March 3rd, the Senate voted 31 to 25 on the House-passed bill. President Polk was waiting in the Senate chambers and signed the bill creating a Department of the Interior.<sup>1/</sup>

In 1849, when the Congress created the Home Department, it charged Interior with managing a wide variety of programs. In the last half of the 19<sup>th</sup> century, these programs ran the gamut of overseeing Indian Affairs, exploring the western wilderness, directing the District of Columbia jail, constructing the National Capital's water system, managing hospitals and universities, improving historic western emigrant routes, marking boundaries, issuing patents, conducting the census, and conducting research on the geological resources of the land.

Following the conservation movement at the beginning of the 20<sup>th</sup> century, there was an increasing sense of the fragile nature of this country's natural resources. Accordingly, the Department's mission focused primarily on the preservation, management, understanding, and use of the great natural and cultural resources of the land.

Today, the Department manages the Nation's public lands and minerals including providing access to public lands and the Outer Continental Shelf for renewable and conventional energy; is the steward of 20 percent of the Nation's lands including national parks, national wildlife refuges, and the public lands; is the largest supplier and manager of water in the 17 western States and a supplier of hydropower energy; and upholds Federal trust responsibilities to Indian Tribes and Alaska Natives. It is responsible for migratory wildlife conservation; historic preservation; endangered species conservation; surface-mined lands protection and restoration; mapping, geological, hydrological, and biological science for the Nation; and financial and technical assistance for the insular areas.

Interior's budget covers a broad spectrum of activities, both to protect the Nation's resources and to ensure equity in their use. These activities include: operation of the National Park Service and the Fish and Wildlife Service; land management responsibilities of the Bureau of Land Management; delivery of quality services to American Indians and Alaska Natives; OCS management responsibilities of the Bureau of Ocean Energy Management, Regulation and Enforcement; research, data collection, and scientific activities of the U.S. Geological Survey; water management projects of the Bureau of Reclamation; regulatory responsibilities and reclamation activities of the Office of Surface Mining; and support for U.S. Territories and other insular areas.

<sup>1/</sup> Robert Utley and Barry Mackintosh, "The Department of Everything Else: Highlights of Interior History", 1988, pp 1-2.





# Departmental Overview

*The Department of the Interior is truly the Department of America. We are uniquely positioned to provide enduring benefits to the American people.*

*Ken Salazar, Secretary of the Interior  
March 10, 2010*

The mission of the Department of the Interior is simple but profound—to protect America's natural resources and cultural heritage and honor the Nation's trust responsibilities to American Indians and Alaska Natives.

Interior's people and programs impact all Americans. The Department is the steward of 20 percent of the Nation's lands including national parks, national wildlife refuges, and the public lands. Interior manages the resources on these lands and the Outer Continental Shelf – providing access for renewable and conventional energy development and managing the protection and restoration of surface-mined lands. The Department of the Interior is also the largest supplier and manager of water in the 17 western States and provides hydropower resources used to power much of the country. Interior is responsible for migratory wildlife and endangered species conservation as well as the preservation of the Nation's historic and cultural resources. The Department supports cutting edge research in the earth sciences – geology, hydrology, and biology – to inform resource management decisions at Interior and organizations all across the world. The Department of the Interior also fulfills the Nation's unique trust responsibilities to American Indians and Alaska Natives, and provides financial and technical assistance for the Insular areas.

Measured in economic terms, the Interior Department supports over 1.3 million jobs and over \$370 billion in economic activity each year. Parks, refuges, and monuments generate over \$24 billion in economic activity from recreation and tourism. Conventional and renewable energy produced on Interior lands and waters results in about \$295 billion in economic benefits and the water managed

by Interior supports over \$25 billion in agriculture. The American outdoor industry estimates 6.5 million jobs are created every year from outdoor activities. An economic impact analysis completed by the Department in December 2009 estimates that in 2008 more than 400 million visits to the Nation's parks, refuges, and public lands generated nearly \$25 billion and over 300,000 jobs in recreation and tourism, contributing significantly to the economic vitality of many communities.

In measures that cannot be translated into dollars and cents, the Department protects the Nation's monuments and priceless landscapes, conserves wildlife and fisheries, offers unparalleled recreational opportunities, protects and interprets the cultural collections that tell America's history, and manages resources that help to fulfill the Nation's demands for energy, minerals, and water. Through its trust responsibilities on behalf of American Indians and Alaska Natives, Interior supports tribal self-governance and the strengthening of Indian communities. For affiliated island communities, the Department fulfills important commitments providing much needed technical and financial assistance.

Interior works to ensure that America's spectacular landscapes and unique natural life endures for future generations, tells and preserves the American story, and maintains the special places, like the National Mall, that enable the shared American experience. At the same time, Interior manages many of the Nation's natural resources – oil and gas, coal, and minerals such as gold and uranium. Interior manages and delivers water, arbitrates long-standing conflicts in water allocation and use, and actively promotes water conservation. As one of the Nation's primary natural resource stewards, the Department

makes decisions regarding potential development on the public lands and offshore coastal areas that can greatly impact the Nation's energy future and economic strength. Factored in this balance is the Department's unique responsibility to American Indians and Alaska Natives. Maintaining and building the capacity to carry out these responsibilities on behalf of the American people is the Interior's primary focus. Identifying better ways to do business and deliver service and apply cutting edge science to operations is Interior's principal challenge. Through a progressive management agenda, the Administration has made clear that delivering on that principal challenge is a critical priority.

## 2010 – A YEAR OF CHALLENGE AND SUCCESS

At the start of the Administration, Secretary Salazar set Interior on a course to create a comprehensive strategy to advance renewable energy; tackle climate change impacts; improve the sustainable use of water; engage youth in the outdoors; and improve the safety of Indian communities. These priority goals integrate the strengths of the Department's diverse bureaus and offices to address key challenges of importance to the American public. With transparency and accountability, Interior has been tracking achievements in these areas, including:

- Approval of 12 renewable energy projects on public lands that when built, will produce almost 4,000 megawatts of energy, enough energy to power over one million American homes, and create thousands of construction and operational jobs. This includes the first solar projects ever permitted on public lands, and what will be the largest solar project in the world.
- Designation of more than 5,000 miles of transmission corridors on public lands to facilitate siting and permitting of transmission lines and processing more than 30 applications for major transmission corridor rights-of-way. In 2010, Interior granted over 190 miles of rights-of-way for new major electric transmission lines on public lands in Nevada and in Idaho.
- Establishment of three of eight planned regional Climate Science Centers. Interior's bureaus also established nine of the 21 Landscape Conservation Cooperatives. This

approach reaches across traditional barriers, between Interior bureaus, other Federal agencies, State, tribal and local governments, non-governmental organizations and the public, to create partnerships that craft practical solutions to natural resource management challenges. U.S. Geological Survey scientists crafted a new method to assess the potential to store carbon in wetlands, forests, and rangeland ecosystems.

- Issuance of grants to water districts and other water delivery authorities resulting in the conservation of 150,000 acre-feet of water.
- The number of youth employed increased to 21,874 in 2010, including 15,900 new hires, either through direct hires or partnerships. The number of new hires increased by 45 percent over 2009 levels.
- Reductions in crime in four Indian communities as a result of a concerted effort to increase deployed law enforcement officers, and conduct training in community policing techniques, and engage the communities in other law enforcement efforts.

The tragic events resulting from the sinking of the Deepwater Horizon drilling rig in April of last year drew the attention of the world to the Gulf of Mexico. Although much of the focus of Interior's bureaus and offices in 2010 was on oil spill response and Gulf Coast restoration, the Department advanced other key priorities and strategic goals that will improve the conservation and management of natural and cultural resources into the future.

- Interior, along with the Department of Agriculture and the White House Council on Environmental Quality, hosted the White House Conference on America's Great Outdoors and held 50 public listening sessions across the Country, that have helped shape a conservation vision for the 21<sup>st</sup> Century. This vision, the America's Great Outdoors initiative, promotes and supports innovative community level efforts to conserve outdoor spaces and reconnect Americans to the outdoors.
- On the conservation front, Interior welcomed new national wildlife refuges and proposed others. The new Flint Hills Legacy Conservation Area in Kansas works with farmers and ranchers to protect more than one million acres of the once vast tall grass prairie. In Colorado,

the Rocky Mountain Arsenal National Wildlife Refuge formally joined the Department. A place that once served as a manufacturing site for weapons and toxic chemicals is now home to bald eagles and roaming buffalo. Recently, Secretary Salazar announced a proposal for a new wildlife refuge and conservation area in Florida at the headwaters of the Everglades. Like Flint Hills, this area would work with local ranchers and farmers to preserve their heritage and way of life for generations to come. The refuges mark a new era of conservation for Interior, one that is community driven, science-based, and takes into account entire ecosystems and working landscapes.

- The Department worked to develop a Federal action plan to bring relief for the drought-stricken California Bay-Delta area, investing over \$500 million in major water projects over the past two years, and moved forward on long-standing water availability issues in the Colorado River Basin by securing a commitment to initiate discussions on a comprehensive long-term agreement between the U.S. and Mexico on the management of the Colorado River.
- Worked with Congress to bring about resolution of the historic *Cobell v. Salazar* settlement and Indian water rights issues with enactment of the Claims Resolution Act of 2010, and completed negotiation of a new Compact of Free Association agreement with the island of Palau which awaits Congressional approval.
- In December of last year, the President hosted the second White House Tribal Nations Conference bringing together tribal leaders from across the United States. These conferences enabled tribal leaders to interact directly with Administration representatives and identify actions to fulfill the President's commitment to strengthen the Nation-to-Nation relationship with American Indians and Alaska Natives.

The Deepwater Horizon disaster has had and will continue to have a significant impact on the management of ocean resources and more specifically on the management of OCS oil and gas development. It undermined public confidence in the safety and reliability of offshore oil and gas development and called into question long-standing acceptance of expanded deepwater drilling.

The recently released report from the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling concludes there are risks for which neither industry nor government have been adequately prepared. The report recommends that fundamental reforms are needed to

## PRESENTING THE 2012 BUDGET

At the time the 2012 budget was released, the Department was operating under the authority of P.L. 111-322, a Continuing Resolution making appropriations available through March 4, 2011. To accommodate the lack of an enacted 2011 appropriation, the President's budget appendix materials display the 2011 CR level as a placeholder for the 2011 appropriation.

Interior's budget display follows the convention in the President's budget and ties to the 2011 CR amounts at the account level. Most of Interior's funding is the same as the 2010 Enacted level under the 2011 CR. For this reason, the center column in Interior's budget materials is labeled 2010 Enacted/2011 CR and detailed comparisons are made against the level.

Program funding for the Bureau of Ocean Energy Management, Regulation and Enforcement differs, as P.L. 111-322 provided a \$23.1 million increase above the 2010 Enacted level. In cases such as BOEMRE, where there is a difference between the 2010 Enacted and the 2011 CR amount detailed comparisons are made against the 2010 Enacted level and an adjustment is added at the bottom to tie the amounts to the 2011 CR level.

An exception is made, however, for accounts with line-item project activities – land acquisition, construction and the Bureau of Reclamation. The project level details for these accounts are presented at the 2011 President's request level to provide a basis for planning assumptions. An adjustment is made at the bottom of the account to tie the total to the 2011 CR amount.

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ensure technical expertise, independence, and full consideration of environmental protection as well as continued reforms in human safety, regulatory oversight, energy exploration, and production. In addition the report indicates that the existing gap in containing, responding to, and cleaning up spills should be closed by government and industry, and that the scientific understanding of environmental conditions and impacts of oil spills is inadequate.

The Commission's findings and recommendations bolster the case for Interior's comprehensive reforms and Secretary Salazar's reorganization of offshore oil and gas activities that will remedy conflicted missions, stand up a stronger regulatory framework, create an internal review unit to identify problems in a timely manner, improve agency and industry management of safety and environmental protection, and expand the team of inspectors. Many reforms have already been accomplished including:

- Termination of the controversial royalty-in-kind program that accepted oil and natural gas from producers in lieu of cash royalty payments, in favor of a more transparent and accountable royalty collection system.
- Dissolution of the Minerals Management Service with the transfer of minerals revenue management to the Office of Natural Resources Revenue in the Office of the Secretary and creation of the Bureau of Ocean Energy Management, Regulation and Enforcement as an interim organization while further structural changes are made.
- Published the results of the first review by the OCS Safety Oversight Board and began the development of regulations and guidance to operators to implement steps to respond to the Board's recommendations.
- Utilized the expertise of the National Academy of Engineering who investigated the root causes of the Deepwater Horizon blowout and provided a 30-day report to the President on steps that should be taken to improve the safety of OCS drilling.
- Completed a review of ethics issues related to the Department's management of the OCS program to inform ongoing reforms.

## INTERIOR'S BUDGET IN CONTEXT

*The future is ours to win. But to get there, we just can't stand still.*

*President Barack Obama  
January 25, 2011*

In his State of the Union address in January, President Obama spoke of the future and what it will take to "win the future." He challenged the Nation to encourage American innovation, educate young people, rebuild America, and shrink the burden of mounting debt. Interior's 2012 budget request responds to this challenge. This budget proposes legacy investments in America's outdoors and cultural heritage. At the same time, this budget recognizes the need for fiscal responsibility. The investments proposed in 2012 are balanced by reductions in other programs – recognizing the Nation's need to live within its means to ensure a legacy of economic strength.

**Taking Fiscal Responsibility** – Interior's 2012 budget must be viewed in context of the difficult fiscal times facing the Nation and the President's freeze on discretionary funding. Interior's budget of \$12.2 billion funds important investments by eliminating and reducing lower priority programs, deferring projects, reducing redundancy, streamlining management, and capturing administrative and efficiency savings. The 2012 request is essentially level with both the 2010 Enacted and 2011 CR amounts. It is a freeze budget.

The 2012 budget reflects many difficult budget choices, cutting worthy programs in order to fund the highest priority requirements, and advancing efforts to shrink Federal spending while being mindful of ongoing responsibilities. The budget contains reductions totaling \$1.1 billion or 8.9 percent of the 2010 Enacted / 2011 CR level. Staffing reductions are anticipated in some program areas, which will be achieved through attrition, outplacement, and buy-outs in order to minimize the need to conduct reductions in force to the greatest extent possible.

This budget is responsible, maintaining the 2010 funding levels and core functions that are vital to uphold stewardship responsibilities and sustain key initiatives. Permanent funding that becomes available as a result of existing legislation without

## BUDGET AUTHORITY AND RECEIPTS (millions of dollars)

	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>BUDGET AUTHORITY</b>				
Total Current Appropriations ( <i>w/o supps</i> ).....	12,243	12,217	12,227	+10
Supplements.....	+39	0	0	0
Total Current Appropriations ( <i>w/ supps</i> ).....	12,282	12,217	12,227	+10
Permanent Appropriations.....	6,014	7,602	5,607	-1,995
<b>TOTAL</b> .....	<b>18,296</b>	<b>19,819</b>	<b>17,834</b>	<b>-1,986</b>
[Net discretionary BA ] .....	[12,130]	[12,064]	[12,058]	[-6]
<b>RECEIPTS</b>				
Outer Continental Shelf .....	4,916	5,224	7,343	+2,119
Onshore Mineral Leasing .....	3,579	3,821	4,247	+426
Other Offsetting Receipts .....	1,580	3,583	1,586	-1,997
Other Receipts .....	1,009	843	894	+51
<b>TOTAL</b> .....	<b>11,084</b>	<b>13,471</b>	<b>14,070</b>	<b>+599</b>

further action by the Congress results in an additional \$5.6 billion, for \$17.8 billion in total budget authority for Interior in 2012.

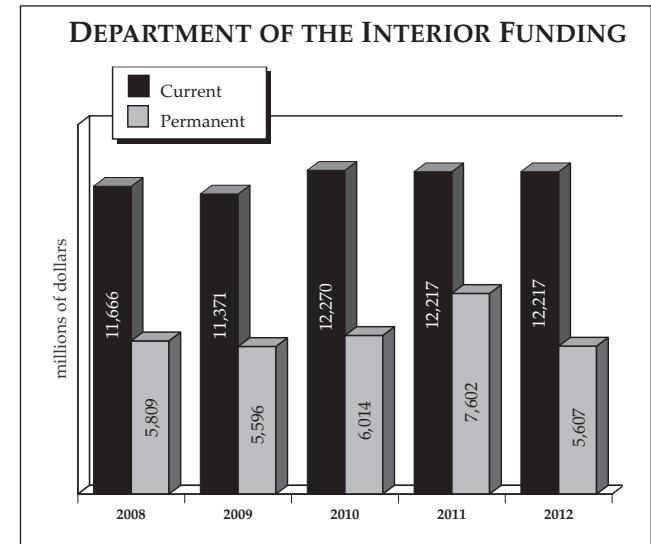
The 2012 request includes \$11.2 billion for programs funded by the Interior, Environment, and Related Agencies appropriation. This is \$69.2 million, or less than one percent, above the 2010 Enacted level and \$87.6 million above the 2011 CR level. The 2012 request for the Bureau of Reclamation and the Central Utah Project Completion Act, funded in the Energy and Water Development Appropriations Act, is \$1.1 billion in current appropriations, \$88.3 million or eight percent below the 2010 Enacted level and \$78.3 million or seven percent below the 2011 CR level.

Interior continues to generate more revenue for the U.S. Treasury than its annual appropriation. In 2012 Interior will generate revenue of approximately \$14.1 billion and propose mandatory legislation estimated to generate another \$2.5 billion in revenue over ten years.

**Program Reductions and Terminations** – Through a very rigorous process, Interior took stock of its ongoing activities considering elements such as program performance, mission relevance, the availability of alternatives to meet the objectives, the breadth of public benefit, and the appropriateness of the Federal role.

Interior's \$12.2 billion budget proposal includes \$913.6 million in program terminations and program reductions of which \$188.0 million are significant reductions of 50 percent or more. These are highlighted in the President's Budget volumes and are described on the next page.

The balance of program terminations and reductions were identified as part of a top to bottom review that considered mission criticality, the ability of partners to support the function, duplication or overlap,



## MAJOR REDUCTIONS AND TERMINATIONS HIGHLIGHTED IN THE PRESIDENT'S BUDGET VOLUMES

- **Wildland Fire – Hazardous Fuels Reduction (-\$44.6 million)** – The proposed reduction reflects a refocusing of the program to address highest-risk areas, those where wildfire can threaten communities.
- **BIA – Trust Real Estate Services (-\$27.0 million)** – The budget proposes an 18 percent reduction in real estate services, including reductions to the cadastral surveys program and other record keeping activities. The Department will consider providing surveys on a reimbursable basis as part of the cost of each real estate transaction and manage records more efficiently.
- **NPS – Save America's Treasures Grants (-\$25.0 million)** – The budget proposes to eliminate funding in 2012 to focus NPS resources on managing national parks and other primary responsibilities.
- **BLM – Alaska Conveyance (-\$17.0 million)** – This reduction is part of an effort to reevaluate and streamline the conveyance process to better focus on transferring title to 150 million acres Interior is required to convey.
- **OST - Historical Trust Accounting (-\$16.0 million)** – The budget proposes to reduce funding for historical accounting of individual Indian accounts in light of the *Cobell v. Salazar* settlement, but retains funding for the historical accounting of tribal trust funds.
- **FWS – National Wildlife Refuge Fund (-\$14.5 million)** – The budget proposes to eliminate the discretionary contribution to the National Wildlife Refuge Fund, which delivers payments to counties to offset tax loss due to Federal land ownership. The mandatory receipts will continue to be allocated. Payments collected by counties can be used for non-conservation purposes which are not the best use of FWS funding.
- **USGS – National Biological Information Infrastructure (-\$6.7 million)** – The program is duplicative of other Federal and private sector efforts to collect similar data into a single location.
- **NPS – Heritage Partnership Program (-\$9.0 million)** – The Department proposes a 50 percent reduction in this program. The program will support emerging national heritage areas while encouraging the long-term sustainability of the more established sites.
- **Wildland Fire – Rural Fire Assistance (-\$7.0 million)** – This program is duplicative of other fire assistance grant programs managed by the Office of Homeland Security and Department of Agriculture.
- **USGS – Water Resources Research Act Program (-\$6.5 million)** – Program grants to Water Resources Research Institutes are not a clear Federal responsibility.
- **NPS – Park Partnership Project Grants (-\$5.0 million)** – The NPS will use neither grant funding nor the \$10.0 million in dedicated recreation fees for these projects in 2012. Partners have not committed at the level envisioned and projects have not always addressed highest park priorities.
- **NPS – Preserve America Grants (-\$4.6 million)** – The budget proposes to eliminate funding in 2012 to focus NPS resources on managing national parks and other primary responsibilities.
- **BIA – Indian Guaranteed Loan Program (-\$5.1 million)** – A 63 percent reduction is proposed in 2012 pending an evaluation of the program's effectiveness and alternatives for promoting economic development in Indian Country.

relevance to key initiatives, program performance, the relevance of timing and if the activity could be deferred, and short and long term strategic goals. The 2012 request also eliminates \$47.6 million in congressional earmarks not related to land acquisition or construction and an additional \$52.2 million in smaller program terminations.

Program reductions are proposed in every bureau

and office in the Department. One area that is reduced Interior-wide is construction. The budget includes \$178.8 million for the Bureau of Land Management, Fish and Wildlife Service, and National Park Service construction programs, a total reduction of \$100.2 million or 36 percent from the 2010 Enacted / 2011 CR level. The Department has frozen construction of new facilities in 2012 and deferred construction of replacement facilities. Interior's 2012 request for

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construction focuses on the highest priority health and safety and mission critical projects and defers lower priorities. The Department is committed to the repair and rehabilitation of current assets and funding for facility maintenance is held nearly level.

Interior also took stock of centrally funded requirements to make room for programmatic priorities. The Department's 2012 request for the Working Capital Fund proposes a decrease of \$21.1 million in the Financial Business Management System project. When FBMS is fully implemented by the end of 2014, it will replace the Department's many administrative systems throughout the bureaus, provide a modernized, fully integrated solution providing core accounting, real and personal property, fleet management, travel, enterprise information management, and reporting. In developing the 2012 request, the Department carefully evaluated the project's baseline to improve the implementation strategy, reduce complexity and risk, and focus on core functionality, while maintaining focus on critical business needs. The revised plan makes changes in the deployment schedule, strikes the budget formulation component of the project, and allows Interior to reduce the request for appropriated funds.

**Administrative Savings**—The budget includes \$99.4 million in reductions reflecting administrative cost savings as part of the Administration's Accountable Government Initiative. These reductions will be generated by efficiencies throughout Interior, changing how the Department manages travel, employee relocation, acquisition of supplies and printing services, and the use of advisory services. These reductions are in addition to \$62.0 million in travel, information technology, and strategic sourcing savings identified as part of the President's 2011 request. These reductions are sustained in the 2012 request along with bureau-specific efficiencies. The proposed savings in administrative functions will not have an impact on programmatic performance.

The Department's 2012 budget also reflects a freeze on Federal salaries for 2011 and 2012. The request for fixed costs is limited to anticipated changes in the Federal contributions to health benefits, CSA rent increases, changes in workers and unemployment compensation costs, and specific contract requirements for Section 638 agreements. The 2012 request also reflects a reduction in the Working Capital Fund charges to which every Interior bureau and office contributes. Centrally funded requirements were reprioritized to pass along over \$10 million in savings to bureaus and offices. Program reduc-

tions offset the \$30.5 million in anticipated fixed cost increases in 2012.

**Cost Recovery**—The budget proposes to increase cost recovery to offset the cost of some resource development activities that provide clear benefits to customers. The budget includes a \$38.0 million decrease in BLM for onshore oil and gas inspection activities. This reduction will be fully offset by increased inspection fees. Fees for offshore oil and gas inspections are increased substantially from \$10.0 million in the 2010 Enacted budget to \$65.0 million in 2012 reflecting a need for a more robust inspection program. The budget also proposes to expand the scope of offshore inspection fees in 2012 to include offshore mobile drilling given the need for greater scrutiny of drilling operations as a core component of deepwater oil and gas development.

The National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling recommends the Administration increase fees as a way to support increased regulatory oversight and improve leasing support. The report argues that the oil and gas industry should be "required to pay for its regulators" so that the costs of regulation "would no longer be funded by taxpayers but instead by the industry that is permitted to have access to a publicly owned resource."

## FORGING AN ENDURING LEGACY

The Interior Department's 2012 budget continues efforts that began in 2009 with Secretary Salazar's commitment to a set of priority goals that focus on America's future. These goals have remained constant in guiding the Department's efforts. They are embedded within the Strategic Plan as a set of priority goals to spur near-term results – investing in renewable energy, implementing sustainable water management and conservation, adapting to the challenge of a changing climate, engaging youth in natural resources, and improving the safety of Indian communities. These goals are among the Department's highest priorities because of their importance to the Nation's future.

- Implementing a comprehensive New Energy Frontier strategy that creates jobs, reduces the Nation's dependence on foreign oil, and reduces carbon impacts. The Department's goal is to increase approved capacity for renewable energy production on Interior managed lands to at least 10,000 megawatts by the end of 2012,

## INTERIOR'S STRATEGIC PLAN AND PRIORITY GOALS

On January 24, 2011, the Department issued a new Strategic Plan for Fiscal Years 2011-2016. The plan is the result of an 18-month process to integrate Interior's diverse activities and develop a unified approach to key goals for stewardship of lands and resources; responsible development of energy, minerals, and other resources; enhancing the government-to-government relationship with Indian Tribes and Alaska Natives and upholding commitments to Insular areas; establishing a scientific foundation for decisionmaking; and creating a 21<sup>st</sup> Century Department of the Interior.

### MISSION AREAS AND GOALS

- **Provide Natural and Cultural Resource Protection and Experiences**
  - Protect America's Landscapes.
  - Protect America's cultural and heritage resources.
  - Provide recreation and visitor experience.
  - Manage the impacts of wildland fire.
- **Sustainably Manage Energy, Water, and Natural Resources.**
  - Secure America's energy resources.
  - Manage water for the 21<sup>st</sup> Century.
  - Sustainably manage timber, forage, and non-energy minerals.
- **Advance Government-to-Government Relationships with Indian Nations and Honor Commitments to Insular Areas.**
  - Meet our trust, treaty, and other responsibilities to American Indians and Alaska Natives.
  - Empower Insular communities.
- **Provide a Scientific Foundation for Decisionmaking.**
  - Ensure the quality and relevance of science products to partners and customers.
  - Provide science for sustainable resource use, protection, and adaptive management.
  - Provide scientific data to protect and inform communities.
  - Develop a comprehensive science framework for understanding the earth.
- **Building a 21<sup>st</sup> Century Department of the Interior.**
  - Building a 21<sup>st</sup> Century workforce.
  - Youth stewardship and engagement.
  - Sustainability of Interior's operations.
  - Dependability and efficiency of information technology.
  - Improving acquisition and real property management.

while ensuring full environmental review. The budget requests \$684.3 million for renewable and conventional energy programs in 2012, an increase of \$145.7 million above the 2010 Enacted/2011 CR level.

- Confronting the challenges of a changing climate impacting the American landscape. Through an integrated strategy that leverages expertise across the Department, the Federal government, and with outside partners, Interior will identify resources that are vulnerable

to climate change and implement coordinated adaptation response actions for 50 percent of the Nation by the end of 2012. The 2012 budget includes \$175.0 million for cooperative landscape conservation, an increase of \$43.8 million above the 2010 Enacted/2011 CR.

- Tackling the water challenges facing the country with WaterSMART. The Department's goal is to increase available water supplies in the west by 490,000 acre-feet by the end of 2012 through the Bureau of Reclamation's

water conservation programs. The 2012 budget includes \$69.8 million for WaterSMART sustainability activities, an increase of \$9.0 million for U.S. Geological Survey above the 2010 Enacted / 2011 CR and a reduction of \$11.0 million below the 2011 President's budget for the Bureau of Reclamation.

- Engaging America's youth in the great outdoors. The Department will employ, educate, and engage young people from all backgrounds in exploring, connecting with, and preserving America's natural and cultural heritage. This initiative complements Interior's goal to hire or temporarily engage individuals aged 18-25 in the Department's mission areas and activities. The 2012 budget includes \$46.8 million for youth programs, an increase of \$7.6 million above the 2010 Enacted / 2011 CR level.
- Honoring trust responsibilities and Strengthening Tribal Nations. The Department's goal is to achieve a reduction in violent crime of at least five percent within 24 months on targeted tribal reservations through a comprehensive and coordinated strategy. The 2012 budget includes \$354.7 million for BIA public safety and justice program operations to improve the safety of Indian communities. This is a program increase of \$20.0 million.

This budget places a priority on the Department's stewardship and trust responsibilities, reflecting the Administration's long-standing commitment to provide an enduring legacy for the Nation—to protect, conserve, and make available America's open spaces for generations to come.

**America's Great Outdoors**— The 2012 President's budget proposes a landmark investment of \$5.5 billion for Interior's programs that are part of the America's Great Outdoors initiative. This initiative is a partnership with citizens, community groups, and local, State, and tribal governments to share the lead in protecting, improving, and providing greater access to natural areas and their resources to leave a healthy, vibrant legacy for the future.

This request includes full funding of the Land and Water Conservation Fund land. The Administration's budget request for both Interior and the U.S. Forest Service totals \$900.0 million for LWCF programs, the full amount of revenue generated each year from oil and gas development that is dedicated for land acquisition and conservation. This request

is historic as it has only been fully funded one time since it was championed 40 years ago by John F. Kennedy. The 2012 budget for Interior includes \$675.0 million for Federal land acquisition and competitive grant programs to enhance endangered species protection, outdoor recreation, and non-Federal land conservation.

As part of America's Great Outdoors, the 2012 budget maintains \$4.6 billion for core operations in the land management bureaus – BLM, FWS, and NPS. More than 285 million Americans and foreign tourists visited the Nation's national parks in 2009, nearly 11 million more than in 2008, a 3.9 percent increase. This was the fifth busiest year for the national park system, just missing the all-time visitation record set in 1987. The increased visitation to the national parks reinforces the importance and value Americans place on their treasured landscapes. The 2012 budget also includes \$150.0 million for fish and wildlife conservation grants and \$72.4 million for NPS partnership programs.

**Offshore Energy Reforms** – The 2012 budget proposes a significant investment to continue reforms of the Nation's offshore oil and gas program. The 2012 budget proposes a program level of \$506.3 million for the components of the former Minerals Management Service, an increase of \$158.0 million over the 2010 Enacted level and \$134.9 million over the 2011 CR. This includes a total program of \$358.4 million for the Bureau of Ocean Energy Management, Regulation and Enforcement. The 2012 budget request also includes \$147.9 million for the Office of Natural Resources Revenue now transferred to the Office of the Secretary. The proposed increases support an aggressive strategy to reorganize the offshore oil and gas program activities and build capabilities in environmental analysis, inspection, and oil spill research.

The 2012 budget also proposes funding for an Investigations and Review Unit within BOEMRE to respond to allegations or evidence of misconduct and unethical behavior; oversee and coordinate internal auditing, regulatory oversight and enforcement systems and programs; and ensure the organization's ability to respond to emerging issues and crises, including spills and accidents. Funding is also included to support an independent advisory board to review and analyze environmental studies and analyses to support the use of sound science in all of the Department's offshore energy activities. Separate and apart from BOEMRE, the Secretary and Director Michael Bromwich established the Offshore Energy

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Safety Advisory Committee to advise BOEMRE on a variety of issues related to offshore energy safety, including drilling and workplace safety, well intervention and containment, and oil spill response. The budget proposes to offset BOEMRE program funding with \$160.2 million in offsetting rental receipts and cost recoveries, and \$65.0 million from increased oil and gas inspection fees.

**Indian Land and Water Settlements** – The 2012 budget includes \$84.3 million to begin implementation of the Claims Resolution Act of 2010 and continue work on other active settlements. The legislation included four water settlements for Taos Pueblo of New Mexico and Pueblos of New Mexico named in the Aamodt case, the Crow Tribe of Montana, and the White Mountain Apache Tribe of Arizona. The primary responsibility for constructing water systems associated with the settlements was given to the Bureau of Reclamation and BIA is responsible for the majority of the trust funds.

These settlements will deliver clean water to the Taos Pueblo and the Pueblos of Nambe, Pojoaque, San Ildefonso, and Tesuque in New Mexico, the Crow Tribe of Montana, and the White Mountain Apache Tribe of Arizona. Reclamation is requesting \$26.7 million in 2012 for the initial implementation of these four settlements and \$24.8 million for the Navajo-Gallup Water Supply project and is establishing an Indian Water Rights Settlements account to assure continuity in the construction of the authorized projects and to highlight and enhance transparency. To begin implementing the Claims Resolution Act, the Reclamation budget also includes \$60.0 million in permanent authority.

The Bureau of Indian Affairs 2012 budget includes \$32.9 million for ongoing Indian land and water settlements, which includes a reduction of \$12.9 million reflecting completion of the Pueblo of Isleta, Puget Sound Regional Shellfish, and Soboba Band of Luiseno Indians settlements.

**Land Remote Sensing** – The 2012 budget for the U.S. Geological Survey includes \$48.0 million to begin planning activities with the National Aeronautics and Space Administration for an operational Landsat program. These activities include gathering and prioritizing Federal user community requirements for land image data, conducting trade studies on key design alternatives related to the development of the imaging device, initiating the procurement process through NASA for the Landsat 9 instrument and spacecraft, and establishing a science advisory

team. Also included within a new separate account for National Land Imaging is an increase of \$13.4 million to complete the retooling of the ground receiving stations to be able to receive data from the new instruments on Landsat 8, expected to be launched in December of 2012.

## SUMMARY OF MAJOR CHANGES

**Bureau of Land Management** – The 2012 request for BLM is \$1.1 billion, a decrease of \$12.0 million from the 2010 Enacted / 2011 CR level. This includes a decrease of \$25.3 million for BLM's two operating accounts, an increase of \$20.4 million for Land Acquisition, and a reduction of \$5.1 million in the Construction account. Within the net decrease for the two operating accounts are a number of increases related to the America's Great Outdoors initiative, including a \$29.9 million increase for recreation, cultural and national lands activities. Within the 2012 request for Oregon and California Lands is a \$3.0 million increase to support the Secretary's Western Oregon timber strategy.

The net decrease below the 2010 Enacted / 2011 CR level primarily reflects administrative efficiency savings and a proposed shift of \$38.0 million for onshore oil and gas inspection activities from discretionary appropriations to inspection fees. The budget also assumes the use of \$4.4 million in fee collections to fund inspection activities at coal and other mineral sites. The budget reduces funding for the Alaska Conveyance program by \$17.0 million to further streamline the program. The budget also proposes an \$8.2 million reduction to the Resource Management Planning program and will focus efforts on completing ongoing plans.

The budget includes a program increase of \$12.0 million in the Wild Horse and Burro program for operational costs and fertility control. The request will enable a modified management strategy for this program to focus on fertility control and move away from the concept of federally funded wild horse preserves.

**Bureau of Ocean Energy Management, Regulation and Enforcement** – The 2012 operating request for BOEMRE is \$358.4 million, including \$133.2 million in current appropriations and \$225.2 in offsetting collections. Current appropriations increase by \$119.3 million above the 2010 Enacted level and \$109.1 million above the 2011 CR. Offsetting collections increase by \$58.5 million from the 2010 Enacted

## SUMMARY OF MAJOR PROGRAM CHANGES (millions of dollars)

### **INTERIOR, ENVIRONMENT, AND RELATED AGENCIES**

Accountable Government Initiative .....	-93.6
Management Efficiency Savings .....	-58.1
Fixed Costs .....	+30.5
<b>BLM</b>	
Oil and Gas Management - Inspections .....	-38.0
Oil and Gas Management - Inspection Fee .....	[+38.0]
Alaska Conveyance .....	-17.0
Resource Management Planning .....	-8.2
Construction .....	-5.0
Coal/Other Mineral Resources Inspections.....	-4.4
Coal/Other Mineral Resources Inspect. Fees ...	[+4.4]
Wild Horse and Burro Management Program .	+12.0
Oil and Gas Management - APD Processing ....	+13.0
Land - Easements and Acquisitions.....	+20.4
Operations - NLCS, Cultural Resource Protect.	+29.9
<b>BOEMRE</b>	
Leasing and Environmental Evaluation .....	+19.5
Safety and Environmental Enforcement.....	+26.9
Offshore Inspection Fees.....	[+55.0]
<b>OSM</b>	
Grants .....	-15.5
<b>USGS</b>	
Climate Effects Network.....	-9.0
Mineral Resources.....	-7.2
National Biological Info. Infrastructure.....	-6.7
National Water Quality Assessment .....	-6.7
Water Resources Research Act Program.....	-6.5
Science Support for Interior Bureaus .....	+4.0
Water Resources - Hydrologic Network / Anal.	+6.4
Coastal and Marine Spatial Planning .....	+8.0
Climate Science Centers.....	+11.0
Landsat Operations .....	+61.4
<b>FWS</b>	
National Wildlife Refuge Fund.....	-14.5
Construction .....	-13.7
Grant Programs .....	+22.4
Resource Management Operations .....	+30.5
Land Acq. and Highlands Conserv. Grants ....	+50.2
<b>NPS</b>	
Construction .....	-76.9
Save America's Treas. / Preserve America Grants	-29.6

<b>NPS (continued)</b>	
Heritage Partnerships .....	-8.8
Statutory and Contractual Aid.....	-5.9
Historic Preservation Fund	
Grants to States, Territories, and Tribes.....	+6.5
Park Operations .....	+72.9
Land Acquisition and LWCF	
Battlefield Grants .....	+73.7
LWCF State Grants .....	+160.0
<b>BIA</b>	
Program Completions .....	-64.4
Construction .....	-61.1
Real Estate Projects .....	-10.9
Lands Records Improvement .....	-8.5
Program Eliminations .....	-7.9
Probate Backlog.....	-7.5
Indian Guaranteed Loan Program .....	-5.1
Improving Trust Land Management.....	+14.6
Contract Support/Self-Determination Funds ..	+29.5
<b>Departmental Offices</b>	
Financial and Business Management System...	-21.1
Office of the Special Trustee - Historical Account.	-16.0
<b>Wildland Fire</b>	
Hazardous Fuels .....	-44.6
Rural Fire Assistance .....	-7.0
Burned Area Rehabilitation Program .....	-6.8
Wildland Fire Suppression .....	+42.8
Valuation Services.....	+12.9
Office of Natural Resources Revenue .....	+25.6

### **ENERGY AND WATER DEVELOPMENT**

Accountable Government Initiative .....	-5.8
Management Efficiency Savings .....	-3.9
<b>Bureau of Reclamation</b>	
Rural Water Projects .....	-26.5
Central Valley Project .....	-12.1
Safety of Dams.....	-11.5
WaterSMART Grants .....	-8.5
Yakima River Basin.....	-5.5
Klamath Sedimentation Study .....	-5.0
Minidoka Area Projects.....	+9.2
Indian Water Rights Settlements .....	+26.7
Central Utah Project.....	-9.0

level and \$60.3 million from the 2011 CR level. The total for offsetting collections includes a proposed increase of \$55.0 million in inspection fees.

The 2012 budget for BOEMRE includes increases of \$19.5 million from the 2011 CR level for leasing and environmental activities to promote offshore leasing from conventional and renewable energy development that is economically and environmentally

responsible. The budget also proposes to increase safety and environmental enforcement activities by \$26.9 million from the 2011 CR level for enhanced enforcement of operational safety standards offshore, adherence to environmental regulations, and compliance with conservation requirements to protect the Nation's natural resources.

**Office of Surface Mining** – The 2012 budget request for the Office of Surface Mining is \$145.9 million, a decrease of \$17.0 million from the 2010 Enacted / 2011 CR level. This includes a reduction of \$8.8 million in Regulation and Technology and \$8.1 million in Abandoned Mine Reclamation Fund programs. The reductions reflect decreases in grants to States and Tribes to encourage regulatory programs to recover costs from fees charged to the coal industry and finalize the transition of abandoned mine land reclamation from discretionary to mandatory funding.

**Bureau of Reclamation** – The 2012 Reclamation budget request totals \$1.0 billion, \$69.3 million below the 2010 Enacted / 2011 CR level. The budget request for Reclamation targets support for ongoing water conservation and reuse efforts, ecosystem restoration projects, tribal settlements pursuant to the Claims Resolution Act of 2010 and the Navajo-Gallup Water Supply project, and project safety requirements. Programs and projects that can be deferred or slowed are reduced, including rural water projects, the Central Valley Project, WaterSMART grants, Yakima River Basin, and the Klamath project. The budget request includes reductions to the Safety of Dams program reflecting additional funds made available through the American Recovery and Reinvestment Act. The budget request also assumes savings of \$5.0 million from the completion of the Klamath Sedimentation Study.

Funding for Native American programs in Water and Related Resources shows a reduction of \$12.5 million. This reflects the shift of \$24.8 million to the new Indian Water Rights Settlements account, completion of the Soboba settlement, and smaller increases. Reclamation is establishing an Indian Water Rights Settlements account in 2012 to assure continuity in the construction of the authorized projects and to highlight and enhance transparency in handling these funds. The total request for Reclamation's implementation of Indian Water Rights Settlements in 2012 is \$111.5 million, \$51.5 million in discretionary funding and \$60.0 million in permanent authority.

**Central Utah Project** – The 2012 budget proposes \$33.0 million, a \$9.0 million or 21.5 percent reduction in the Central Utah Project Completion Act program. Reductions reflect significant advancements with funding from the American Reinvestment and Recovery Act and difficult budget choices.

**U. S. Geological Survey** – The budget request for USGS is \$1.1 billion, a \$6.1 million increase from

the 2010 Enacted / 2011 CR level. This includes a reduction of \$93.7 million in Surveys, Investigations and Research and an increase of \$99.8 million in a new account to consolidate the Survey's National Land Imaging activities. Adjusting for the transfer of Landsat activities to the new account, the remaining reduction to other Surveys, Investigations and Research programs is \$53.6 million.

The 2012 request for USGS includes terminations of programs that are lower priority to better support higher priority programs, initiatives, and mission areas. In some of these instances partner funding could continue program activities or reduced program scope would likely have minimal impacts. For example, the budget proposes to eliminate the National Biological Information Infrastructure and the National Geological and Geophysical Data Preservation program, which are largely duplicative of other Federal and private programs.

Reductions in the Mineral Resources program would eliminate lowest priority research and assessment activities which could be performed by the private sector. Within the water program, funding is shifted from the Groundwater Resources, National Water Quality Assessment, and Water Resources Research Act programs to support comprehensive water supply and demand inventories that provide the baseline information needed by public and private water managers to work toward sustainable water supplies as part of WaterSMART. Similarly, within climate variability research, a net increase of \$9.7 million reflects increases for the Climate Science Centers, science support to the bureaus, and biological sequestration research offset by a reduction of \$9.0 million from the Climate Effects Network.

Program reductions proposed for USGS will necessitate staff reductions of approximately 230 FTE that will be accomplished through attrition, incentives, and a possible reduction-in-force. The USGS request includes \$5.9 million to help pay for the cost of staff reductions in 2012.

**Fish and Wildlife Service** – The 2012 budget includes \$1.7 billion for FWS, an increase of \$47.9 million from the 2010 Enacted / 2011 CR level. This includes America's Great Outdoors initiative related increases of \$2.5 million in the operations account, and \$53.7 million for land acquisition. There is a \$22.4 million increase in FWS conservation grant programs associated with the America's Great Outdoors initiative. Funding for the Construction account is reduced by \$14.4 million.

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The 2012 budget proposes a reduction of \$14.5 million to eliminate the discretionary contribution to the National Wildlife Refuge Fund payments to counties to offset local tax loss due to Federal land ownership. The mandatory receipts collected and allocated under the program would remain. Payments collected by counties can be used for non-conservation purposes, as such, this Fund does not provide the high priority conservation benefits delivered by other FWS programs.

**National Park Service** – The 2012 budget includes \$2.9 billion for NPS, an increase of \$137.8 million from the 2010 Enacted / 2011 CR level. This includes decreases of \$80.8 million in the Construction account, \$18.5 million in the Historic Preservation Fund, and \$16.9 million in National Recreation and Preservation; and increases of \$35.3 million in operations, \$160.0 million in LWCF State Assistance Grants, and \$73.7 million in Federal land acquisition. Within the total available for NPS in 2012, \$276.6 million in net increases are associated with the America's Great Outdoors initiative.

Funding for the Historic Preservation Fund includes a reduction of \$25.0 million, which eliminates funding for the Save America's Treasures program to focus available resources on managing national parks and other primary responsibilities. This decrease is partially offset by an increase of \$6.5 million in historic preservation grants to States, Territories, and Tribes to support their growing responsibilities to carry out the National Historic Preservation Act and other statutes.

Funding for National Recreation and Preservation includes a reduction of \$4.6 million reflecting the termination of the Preserve America program to focus resources on other primary responsibilities. The 2012 budget also proposes a reduction of \$8.8 million from the National Heritage Partnership program. Remaining funding of \$9.0 million will be used to maintain support for recently added National Heritage Areas while encouraging self-sufficiency for those areas that are well established.

The 2012 NPS budget also proposes the elimination of Park Partnership Projects, to focus resources on other park service priorities. Private contributions for these partnership projects have declined resulting in inconsistent support for the Department's highest priority projects.

**Indian Affairs** – The 2012 budget includes \$2.5 billion for BIA programs, a decrease of \$118.9 million

from the 2010 Enacted / 2011 CR. This includes an increase of \$23.7 million for Operation of Indian Programs, and a decrease of \$120.0 million in the Construction account that partially reflects a shift in funding to the Operation of Indian Programs account to support facilities maintenance activities. The budget also includes decreases of \$14.5 million in Indian Land and Water Claim Settlements reflecting completed settlements, \$5.1 million in the Indian Guaranteed Loan program while the program undergoes an evaluation, and \$3.0 million reflecting the funds provided for land consolidation in the *Cobell v. Salazar* settlement.

The 2012 BIA request reflects the discontinuation of a \$50.0 million one-time forward funding payment for tribal colleges without programmatic impact. Reductions of \$15.3 million are made in central oversight across multiple program areas reflecting increased priority for self-determination. Contract support and the Indian Self-Determination Fund receive the largest increase, \$29.5 million, in the 2012 BIA budget.

In 2012, funding for the Trust Real Estate Services program decreases by \$27.0 million. Indian Affairs will work with Tribes to consider a reimbursable program to fund the cadastral survey program activities so that these costs are captured as part of real estate transactions. Other savings are the result of more efficient record keeping methods. Funding increases for Trust Land Management programs are proposed to assist Tribes in the management, development, and protection of Indian trust land and natural resources.

**Departmental Offices** – The 2012 request for the Office of the Secretary reflects the transfer of the Office of Natural Resources Revenue from the former Minerals Management Service. This functional transfer significantly increases the total for the Office of the Secretary, adding \$147.9 million. The increase for other Office of the Secretary programs in 2012 is \$16.9 million, the majority of which reflects a proposed \$12.9 million increase for appraisal services as part of the America's Great Outdoors initiative.

Major changes in other Departmental programs include a decrease of \$44.6 million in the Hazardous Fuels program within Wildland Fire. This reduction reflects a refocusing of the program to address highest risk Wildland Urban Interface areas. Also within the Fire program, is a \$7.0 million reduction reflecting termination of the Rural Fire Assistance Program which provides support that is redundant

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with similar support offered through the Office of Homeland Security and U.S. Forest Service. The budget fully funds the inflation adjusted ten year average of suppression expenditures at \$362.6 million.

The Department's 2012 request for the Working Capital Fund appropriations decreases by \$12.7 million, which reflects a thorough review and revision of the Financial and Business Management System project deployment schedule and the elimination of the budget formulation function from the current project scope.

The 2012 budget proposes a reduction of \$16.0 million from the Historical Accounting program within the Office of the Special Trustee. Resolution of the *Cobell v. Salazar* lawsuit ended the need for additional historical accounting for the individual Indian account holders. The budget proposes to reduce funding for historical accounting of individual Indian accounts, but retains funding for the historical accounting of tribal trust funds.

## MANDATORY PROPOSALS

In 2012, Interior will collect \$14.1 billion for the U.S. Treasury and distribute \$5.6 billion without further appropriation for a variety of purposes, under current law. The budget includes 12 legislative proposals that will be submitted to the Congress to collect a fair return to the American taxpayer for the sale of Federal resources, to reduce unnecessary spending, and to extend beneficial authorities of law. Together these proposals will save \$2.5 billion over the next decade.

**Reform Abandoned Mine Land Reclamation –** The coal industry as a whole is held responsible for cleaning up abandoned coal mines by paying a fee on production that finances grants to States and Tribes for reclamation. This purpose was lost when Congress authorized additional unrestricted payments to States and Tribes that have already completed their coal mine reclamation work. Furthermore, funds for reclamation are not well targeted at the highest priority abandoned mine lands but instead are distributed by a production-based formula, so that funding goes to the States with the most coal production, not the greatest reclamation needs. States can use their funding for a variety of purposes, including the reclamation of abandoned hardrock mines, for which there is no other source of Federal funding.

The Administration proposes to reform the coal Abandoned Mine Lands program to reduce unnecessary spending and ensure that the Nation's highest priority sites are reclaimed. First, the budget proposes to terminate the unrestricted payments to States and Tribes that have been certified for completing their coal reclamation work because these payments do not contribute to abandoned mine lands reclamation. Second, the budget proposes to reform the distribution process for the remaining funding to competitively allocate available resources to the highest priority coal abandoned mine lands sites. Through a competitive grant program, a new Abandoned Mine Lands Advisory Council will review and rank the abandoned mine lands sites, so that OSM can distribute grants to reclaim the highest priority coal sites each year.

And third, to address the legacy of abandoned hardrock mines across the U.S., Interior will propose legislation to create a parallel Abandoned Mine Lands program for abandoned hardrock sites. Like the coal program, hardrock reclamation would be financed by a new abandoned mine lands fee on the production of hardrock minerals on both public and private lands. The BLM would distribute the funds through a competitive grant program to reclaim the highest priority hardrock abandoned sites on Federal, State, tribal, and private lands.

Altogether, this proposal will save \$1.3 billion over the next ten years, focus available coal fees to better address the Nation's most dangerous abandoned coal mines, and hold the hardrock mining industry responsible for cleaning up the hazards left by their predecessors.

**Reform Hardrock Mining on Federal Lands –** Interior will submit a legislative proposal to provide a fair return to the taxpayer from hardrock production on Federal lands. The legislative proposal would institute a leasing program under the Mineral Leasing Act of 1920 for certain hardrock minerals including gold, silver, lead, zinc, copper, uranium, and molybdenum, currently covered by the General Mining Law of 1872. After enactment, mining for these metals on Federal lands would be governed by the new leasing process and subject to annual rental payments and a royalty of not less than five percent of gross proceeds. Half of the receipts would be distributed to the States in which the leases are located and the remaining half would be deposited in the Treasury. Existing mining claims would be exempt from the change to a leasing system, but would be subject to increases in the annual maintenance fees under the

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General Mining Law of 1872. Holders of existing mining claims for these minerals could, however, voluntarily convert claims to leases. The Office of Natural Resources Revenue will collect, account for, and disburse the hardrock royalty receipts.

**Extend Service First Authority** – The laws creating Service First give Interior and Agriculture the authority to establish pilot programs that leverage resources. Service First allows certain land management agencies to conduct activities jointly or on behalf of one another; collocate in Federal offices or leased facilities; make reciprocal delegations of respective authorities, duties, and responsibilities; and transfer funds and provide reimbursements on an annual basis, including transfers and reimbursements for multi-year projects. This authority is currently set to expire at the end of 2011. The budget proposes to make the Service First authority permanent in order to continue these arrangements that have saved costs and improved effectiveness.

**Fee on Non-producing Oil and Gas Leases** – The Administration will submit a legislative proposal to encourage energy production on lands and waters leased for development. A \$4.00 per acre fee on non-producing Federal leases on lands and waters would provide a financial incentive for oil and gas companies to either get their leases into production or relinquish them so that the tracts can be leased to and developed by new parties. The proposed \$4.00 per acre fee would apply to all new leases and would be indexed annually. In October 2008, the Government Accountability Office issued a report critical of past efforts by Interior to ensure that companies diligently develop their Federal leases. Although the report focused on administrative actions that the Department could undertake, this proposal requires legislative action. This proposal is similar to other non-producing fee proposals considered by the Congress in the last several years. The fee is projected to generate revenues to the U.S. Treasury of \$25.0 million in 2012 and \$874.0 million over ten years.

**Net Receipts Sharing for Energy Minerals** – The Administration proposes to make permanent the current arrangement for sharing the cost to administer energy and minerals receipts, beginning in 2013. Under current law, States receiving significant payments from mineral revenue development on Federal lands also share in the costs of administering the Federal mineral leases from which the revenue is generated. In 2012, this net receipts sharing deduction from mineral revenue payments to States would be implemented as an offset to the Interior

Appropriations Act, consistent with the provision included in 2010 and continued under the 2011 CR. Permanent implementation of net receipts sharing is expected to result in savings of \$45.0 million in 2013 and \$405.0 million over ten years.

**Repeal Oil and Gas Fee Prohibition and Mandatory Permit Funds** – The Administration proposes to repeal portions of Section 365 of the Energy Policy Act, beginning in 2013. Section 365 diverted mineral leasing receipts from the U.S. Treasury to a BLM Permit Processing Improvement Fund and also prohibited BLM from establishing cost recovery fees for processing applications for oil and gas permits to drill. Congress has implemented permit fees through appropriations language for the last several years and the 2012 budget proposes to continue this practice. Starting in 2013, upon elimination of the fee prohibition, BLM will promulgate regulations to establish fees for applications for permits to drill administratively. In combination with normal discretionary appropriations, these cost recovery fees will then replace the applications for permits to drill fees set annually through appropriations language and the mandatory permit fund, which would also be repealed starting in 2013. Savings from terminating this mandatory funding are estimated at \$20.0 million in 2013 and \$57.0 million over three years.

**Geothermal Energy Receipts** – The Administration proposes to repeal Section 224(b) of the Energy Policy Act of 2005. Prior to passage of this legislation, geothermal revenues were split between the Federal government and States, with 50 percent directed to States, and 50 percent to the Treasury. The Energy Policy Act of 2005 changed this distribution beginning in 2006 to direct 50 percent to States, 25 percent to counties, and for a period of five years, 25 percent to a new BLM Geothermal Steam Act Implementation Fund. The allocations to the new BLM geothermal fund were discontinued a year early through a provision in the 2010 Interior Appropriations Act. The repeal of Section 224(b) will permanently discontinue payments to counties and restore the disposition of Federal geothermal leasing revenues to the historical formula of 50 percent to the States and 50 percent to the Treasury. This results in savings of \$6.5 million in 2012 and \$74.0 million over ten years.

**Deep Gas and Deepwater Incentives** – The Administration proposes to repeal Section 344 of the Energy Policy Act of 2005. Section 344 mandated royalty incentives for certain “deep gas” production on the OCS. This change will help ensure that

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Americans receive fair value for federally owned mineral resources. Based on current oil and gas price projections, the budget does not assume savings from this change; however, the proposal could generate savings to the Treasury if future natural gas prices end up below current projections.

**Repeal of Authorities to Accept Royalty Payments In Kind** – The Administration proposes to solidify a recent Departmental reform terminating the Royalty-in-Kind program by repealing all Interior authorities to accept future royalties through this program. This change will help increase confidence that future royalty payments will be properly accounted for. The budget does not assume savings from this change because the Administration does not anticipate restarting the program; however, if enacted, this proposal would provide additional certainty that a new Royalty-in-Kind program could not be initiated at some point in the future.

**Federal Land Transaction Facilitation Act** – The Administration proposes to reauthorize this Act, eliminating the 2011 sunset date and allowing lands identified as suitable for disposal in recent land use plans to be sold using the Act's authority. The Act's sales revenues would continue to be used to fund the acquisition of environmentally sensitive lands and the administrative costs associated with conducting sales.

**Federal Migratory Bird Hunting and Conservation Stamps** – Federal Migratory Bird Hunting and Conservation Stamps, commonly known as Duck Stamps, were originally created in 1934 as the annual Federal license required for hunting migratory waterfowl. Today, 98 percent of the receipts generated from the sale of these \$15.00 stamps are used to acquire important migratory bird areas for migration, breeding, and wintering. The price of the Duck Stamp has not increased since 1991, while the cost of land and water has increased significantly. The Administration proposes to increase these fees to \$25.00 per stamp per year, beginning in 2012. Increasing the cost of Duck Stamps will bring the estimate for the Migratory Bird Conservation account to approximately \$58.0 million. With these increased receipts, the Department anticipates additional acquisition of approximately 7,000 acres in fee and approximately 10,000 acres in conservation easement in 2012. Total acres acquired for 2012 would then be approximately 28,000 acres in fee title and 47,000 acres in perpetual conservation easements.

**Compact of Free Association** – On September 3, 2010, the U.S. and the Republic of Palau successfully concluded the review of the Compact of Free Association and signed a 15-year agreement that includes a package of assistance through 2024. Under the agreement, Palau committed to undertake economic, legislative, financial, and management reforms. The conclusion of the agreement reaffirms the close partnership between the U.S. and the Republic of Palau. Permanent and indefinite funding for the compact expired at the end of 2010. The 2012 budget seeks to authorize permanent funding for the Compact as it strengthens the foundations for economic development by developing public infrastructure, and improving health care and education. Compact funding will also undertake one or more infrastructure projects designed to support Palau's economic development efforts. The Republic of Palau has a strong track record of supporting the U.S. and its location is strategically linked to Guam and U.S. operations in Kwajalein Atoll. The cost for this proposal for 2012-2021 is \$188.5 million.

## OFFSETTING COLLECTIONS AND FEES

The budget includes several proposals to increase cost recovery fees, so that industry shares some of the cost of regulation.

**Fee Increase for Offshore Oil and Gas Inspections** – Through appropriations language, the Administration proposes to increase inspection fees from \$10.0 million in 2010 to \$65.0 million in 2012 for offshore oil and gas drilling facilities that are subject to inspection by BOEMRE. The increased fees will fund an expanded inspection program, and operators will now be charged for the inspection of drilling rigs in addition to production platforms. These inspections are intended to increase production accountability, human safety, and the environmental protection.

**New Fee for Onshore Oil and Gas Inspections** – Through appropriations language, the Administration proposes to implement an inspection fee in 2012 for onshore oil and gas drilling activities that are subject to inspection by BLM. The proposed inspection fee is expected to generate an estimated \$38.0 million in 2012, offsetting the costs of onshore inspections. The fee would support Federal efforts to increase production accountability, human safety, and environmental protection.

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**Onshore Oil and Gas Drilling Permit Fee** – The 2012 budget proposes to continue a fee for processing drilling permits through appropriations language, an approach taken by Congress in the 2009 and 2010 Interior Appropriations Acts. A fee of \$6,500 per drilling permit was authorized in 2010, and if continued, would generate an estimated \$32.5 million in offsetting collections in 2012.

**New Fee for Coal and Other Minerals Inspections** – The 2012 budget proposes a new fee to recover the cost of inspecting coal and other minerals management program activities conducted by the BLM. These fees will be implemented administratively through existing cost recovery authorities and are expected to generate an estimated \$4.4 million annually, beginning in 2012.

## DEPARTMENT OF THE INTERIOR FACTS

**Land** — Interior manages more than 500 million acres or about 20 percent of the land area of the United States, 700 million acres of subsurface minerals, and 53 million acres of submerged land in four Pacific marine national monuments. The Department has jurisdiction over an additional 1.7 billion acres of the Outer Continental Shelf.

**Parks, Refuges, and Public Lands** — Interior manages 394 units of the national park system, 553 national wildlife refuges, 70 fish hatcheries, and one historic fish hatchery as well as 21 national conservation areas and similarly designated areas, and 16 national monuments in BLM's National Landscape Conservation System.

**People** — Interior has about 69,000 employees located in approximately 2,400 locations across the United States, Puerto Rico, U.S. Territories, and Freely Associated States.

**Volunteers** — Interior benefits from approximately 301,000 volunteers who provide over 9.5 million hours of service, valued at \$192 million per year.

**Conservation** — About 249,000 acres of high-priority abandoned coal mine sites have been reclaimed through the OSM's Abandoned Mine Lands program. The FWS acts to protect over 1,966 endangered and threatened species; 1,372 are in the United States.

**Revenues** — Revenues collected over the last eight years vary from \$26.0 billion to \$9.0 billion, including revenues from energy, minerals, grazing, timber, lands sales, and other revenue producing activities. Interior's estimated revenue projections in 2012 are \$14.1 billion.

**Water** — The Department is the largest supplier and manager of water in the 17 western States. Reclamation manages 476 dams and 348 reservoirs that deliver irrigation water to 31 million people and one out of every five western farmers irrigating ten million acres of farmland.

**Energy** — Interior manages lands, subsurface rights, and offshore areas that produce approximately 30 percent of the Nation's energy, including 27 percent of natural gas, 31 percent of oil, 42 percent of coal, 17 percent of hydropower, two percent of windpower, and 40 percent of geothermal.

**Visitation** — Annually, more than 57.4 million visits are made to BLM public lands, over 285 million visits to national park units, 44.4 million visits to national wildlife refuges, two million visits to fish hatcheries, and 90 million visits to Reclamation recreation sites.

**American Indians** — The Department maintains relationships with 565 federally recognized Tribes in the lower 48 States and Alaska, and provides support to a service population of more than 1.7 million people. The BIE provides education services to approximately 41,000 students in 23 States attending 183 elementary and secondary schools and dormitories and supports 31 tribally controlled community colleges, universities, and post-secondary schools. There are 85 BIA-funded corrections programs and 187 BIA-funded law enforcement programs.

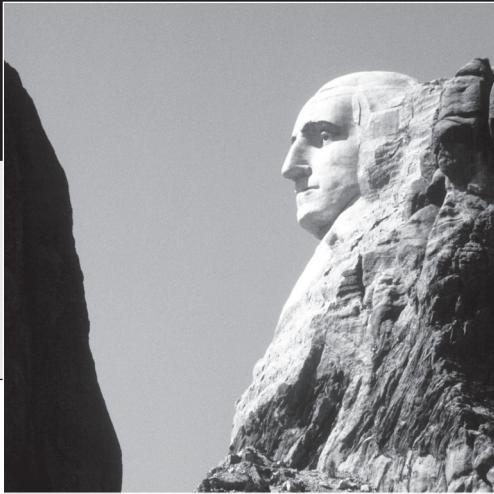
**American Indian Trust** — Interior has responsibility for the largest land trust in the world. Today, the Indian trust encompasses approximately 55 million surface acres and 57 million acres of subsurface mineral estates. On these lands, Interior manages over 100,000 leases for uses such as farming, grazing, and oil and gas production on behalf of individual Indians and Tribes. The Office of the Special Trustee manages over \$3.6 billion of funds held in over 2,800 trust accounts for more than 250 Indian Tribes, and over 380,000 open Individual Indian Monies accounts.

**Science** — Interior provides unbiased, multi-discipline science for use in understanding, managing and protecting the landscape, natural resources, and natural hazards. Data are available to the public from over 7,600 streamgages and 900 earthquake sensors. Over one million satellite scenes have been downloaded from the Landsat archives since being made available at no cost. Over 61,000 publications dating back to 1882 are available through the publishing warehouse.

# DEPARTMENTAL HIGHLIGHTS







# America's Great Outdoors

*Americans love the outdoor places where they hunt, fish, hike, and get away from it all, and they expect these lands to be protected wisely on their behalf.*

*Ken Salazar, Secretary of the Interior  
December 23, 2010*

Americans are blessed with a vast and varied natural and cultural heritage. From mountains to deserts and from sea to shining sea, America's great outdoors have shaped the rugged independence and sense of community that define the American spirit. These working landscapes, cultural sites, parks, coasts, wild lands, rivers, and streams are an inheritance from previous generations. They are the places that offer refuge from daily demands, renew our spirit, and enhance our fondest memories, whether it be fishing with a grandchild in a favorite spot, hiking a trail with a friend, or enjoying a family picnic in a neighborhood park. The great outdoors also includes the farms, ranches, and forests that have fed and sustained generations.

The great outdoors is an enduring jobs creator for America. The American outdoor industry estimates 6.5 million jobs are created every year from outdoor activities. An economic impact analysis completed by the Department of the Interior in December 2009 estimates that in 2008 more than 400 million visits to the Nation's parks, refuges, and public lands generated nearly \$25 billion and over 300,000 jobs in recreation and tourism, contributing significantly to the economic vitality of many communities.

Americans take pride in these places, and share a responsibility to preserve them for future generations. However, these treasured landscapes and public spaces are threatened. Pollution, habitat

## GOALS OF THE AMERICA'S GREAT OUTDOORS INITIATIVE

### EXECUTIVE MEMORANDUM, APRIL 16, 2010

- Promoting community-based recreation and conservation, including local parks, greenways, beaches, and waterways.
- Advancing job and volunteer opportunities related to conservation and outdoor recreation.
- Supporting existing programs and projects that educate and engage Americans in our history, culture, and natural bounty.
- Building upon State, local, private, and tribal priorities for the conservation of land, water, wildlife, historic, and cultural resources, creating corridors and connectivity across these outdoor spaces, and for enhancing neighborhood parks.
- Determining how the Federal government can best advance those priorities through public private partnerships and locally supported conservation strategies.
- Using science-based management practices to restore and protect our lands and waters for future generations.

fragmentation, and loss of wetlands impact wildlife, ecosystems, and the water bodies that provide nursery grounds for fisheries and water for wildlife, human consumption, and agriculture. Harsh weather, theft, and development threaten to degrade the Nation's cultural and historic treasures. These challenges are real, and solving them will only be accomplished by working together and supporting local and State approaches to conservation, recreation, and restoration.

On April 16, 2010, President Obama announced the America's Great Outdoors initiative, launching a 21<sup>st</sup> century conservation agenda tailored to address the particular challenges of this century. The initiative acknowledges that lasting conservation solutions should arise from the American people – that the protection of the Nation's natural heritage is an objective shared by Americans. Even in tough economic times, these are important priorities, which have

significant long-term impacts on future prosperity and immediate impacts on the health of the people, the livability of communities, and the quality of lands and water to support tourism and historic uses. As such, this initiative seeks to empower all American citizens, community groups, and local, State and tribal governments to share in the leadership responsibility for protecting, improving, and providing greater access to natural areas and their resources and leaving a healthy, vibrant outdoor legacy for generations to come.

Interior has a critical role in helping to shape and implement this agenda as the primary steward of the Nation's public lands and with responsibilities to conserve wildlife and fisheries throughout the country. With key investments and leveraging existing resources, Interior will work with other Federal agencies, State and local governments, Tribes, and non-government partners to address these goals.

**AMERICA'S GREAT OUTDOORS**  
(dollars in millions)

	2010 Enacted/ 2011 CR	2012
<b>LAND MANAGEMENT OPERATIONS</b>		
Bureau of Land Management.....	1,071.1	1,045.8
Fish and Wildlife Service.....	1,269.4	1,271.9
National Park Service.....	2,261.6	2,296.9
<b>Subtotal, Land Management Operations .....</b>	<b>4,602.1</b>	<b>4,614.6</b>
<b>LAND AND WATER CONSERVATION FUND PROGRAMS</b>		
Federal Land Acquisition.....	214.4	375.0
State Grants .....	40.0	200.0
Cooperative Endangered Species Conservation Fund .....	85.0	100.0
<b>Subtotal, LWCF Programs .....</b>	<b>339.4</b>	<b>675.0</b>
<b>OTHER GRANT PROGRAMS</b>		
Partnership Programs - FWS .....	142.6	150.0
Historic Preservation Grants .....	55.9	62.4
Rivers, Trails, and Conservation Assistance - NPS.....	8.9	10.0
<b>Subtotal, Other Grant Programs .....</b>	<b>207.4</b>	<b>222.4</b>
<b>TOTAL .....</b>	<b>5,148.9</b>	<b>5,511.9</b>

## 2012 BUDGET SUMMARY

The America's Great Outdoors initiative is broadly defined to capture programs that are key to attaining conservation goals. The 2012 President's budget request for the Department of the Interior will provide \$5.5 billion to further the goals of this initiative; \$4.6 billion to ensure the public lands are protected and remain available for public use, recreation, and education; \$675.0 million for Land and Water Conservation Fund programs, including Federal land acquisition and Stateside grants; \$150.0 million for Fish and Wildlife Service conservation grants; and \$72.4 million for National Park Service partnership programs.

The Interior Department's 2012 budget request, together with the Department of Agriculture U.S. Forest Service's land acquisition and Forest Legacy request, fully funds LWCF programs at \$900.0 million. This is a historic event, as the Land and Water Conservation Fund, created by President John F. Kennedy has only been fully funded one time since it was created over 40 years ago. Input from the America's Great Outdoors nationwide public listening sessions indicated this was a high priority for the American people and a strategic component to the success of the President's initiative due to the benefits it provides to the American public and the landscapes cared about most.

Funding for this initiative will be executed with an emphasis on partnerships. The government will engage citizens and communities in revitalizing their relationship with the outdoors by strategically allocating resources to support successful locally led partnerships while also catalyzing new partnerships and innovations, and exploring ways of streamlining processes and enhancing coordination between the Federal government and its partners. The 2012 budget integrates and leverages the efforts of the Bureau of Land Management, FWS, NPS, and the Forest Service along with States, Tribes, and other Federal and non-Federal partners to focus on the most important opportunities for conservation.

## LISTENING TO AMERICA

The Department, working with the Environmental Protection Agency, Department of Agriculture, and the White House Council on Environmental Quality, directly engaged the public in the development of this initiative over the course of six months in 2010.



Citizens directly participated in 30 public listening sessions and 21 youth-focused sessions in cities, towns, and communities across the Country. A broad cross-section of citizens participated in this process, including farmers and ranchers; Tribes and Alaska Natives; representatives of land trusts, conservation organizations, local parks and recreation districts, historic preservation groups, and faith communities; State and local governments; private businesses; and outdoor recreation enthusiasts and organizations of every type—anglers, bicyclists, hunters, recreational vehicle operators, climbers, boaters, and horseback riders among them. All told, more than 105,000 ideas were provided through listening sessions, in letters, as well as online and through social media sites.

Listening session participants across the country spoke of their deep connection with the outdoors. They described improved mental and physical health, quality time spent with families and friends, and opportunities for employment and for public service as some of the tangible and intangible benefits of being outdoors.

Participants also discussed the value of youth stewardship programs for the next generation of farmers, hunters, and anglers; programs that engage Americans with the outdoors through biking, hiking, hunting, canoeing, skiing, and other recreational activities; and initiatives that encourage parents to get their children outside. One listening session was devoted to the cutting edge topic of the connection between outdoor experiences and improved mental and physical health. Others focused on the unique relationship that tribal communities have with nature, culture, and the outdoors.

Listening sessions made it clear that farmers, ranchers, and forest owners want to help protect America's great outdoors. Conservationists and landowners discussed the need to maintain traditional uses and



markets for food, fiber and wood products, and to create new sources of revenue from working lands. Discussions also centered on the potential to develop new markets for environmental services and benefits provided by private lands, such as wetlands, biodiversity, water quality, and mitigation of climate change impacts. Innovations such as these could create new sources of income, promote stewardship, and maintain these lands in agricultural and forestry uses. Finally, listening sessions generated ideas for making government work better: many participants felt that government agencies and programs are too complicated, are inflexible, and don't always work well with each other or with non-Federal partners. Interior's budget request for 2012 acknowledges this important feedback, and incorporates recommendations that will help the Federal government work more closely with community-led efforts and partner with communities, States, Tribes, and non-governmental organizations.

## CONNECTING AMERICANS TO THE GREAT OUTDOORS

*...[w]e are losing our connection to the parks, wild places, and open spaces we grew up with and cherish. Children, especially, are spending less time outside running and playing, fishing and hunting, and connecting to the outdoors just down the street or outside of town.*

**President Barack Obama**  
**April 16, 2010**

America's natural heritage has defined the Nation and shaped American culture. Since the Nation's ear-

liest beginnings, the relationship with the outdoors has engendered a strong sense of community balanced by rugged individualism – both hallmarks of the American character. Today, a walk in the woods, a jog along an urban waterfront, or a fishing trip with a grandchild can renew this historic connection to the outdoors and create lasting memories that contribute to the American identity. Each camping trip to a national park or visit to a historic battlefield can strengthen this sense of national pride and shared responsibility for public lands and waters and the history they contain.

For many Americans, particularly young people, the outdoors and open spaces are no longer accessible nor inviting. Many Americans worry about their safety while outdoors and while making their way to outdoor recreation sites. Simply getting there is another obstacle for many, especially youth and disadvantaged communities, many of whom are unable to access or afford transportation to reach outdoor destinations.

This disconnect from nature and the outdoors is a challenge facing America's youth, health, and public lands. In the past, many American children participated in hunting, fishing, bird watching, and enjoyed long hours of unstructured, outdoor play time. For many younger generations, nature has become more abstract; something to learn passively about through technology or in a classroom setting.



How the public, particularly young Americans, respond to nature will shape the future of conservation in America, and potentially the health and economic well being of its citizen's as well. Americans' increasing disconnect from the outdoors is one factor in the skyrocketing rate of obesity across the Nation, tripling in children over the past 30 years. Studies show that access to the outdoors can help turn the tide on the health epidemic of obesity; and

that play and relaxation in nature can reduce stress and anxiety, promote learning and personal growth, and provide overall mental and physical restoration. By providing safe, accessible recreational sites, a new generation can learn the intrinsic value of the Country's natural heritage.

The Interior budget includes \$46.8 million, an increase of \$7.6 million in support of the Youth in the Great Outdoors initiative to employ, educate, and engage young people from all backgrounds in exploring, connecting with, and preserving America's natural and cultural heritage.



Youth will have an opportunity to participate in Interior programs that are creating renewable energy advancements, tackling cooperative landscape conservation issues such as climate change and water conservation, strengthening Native communities, building trails, enhancing wildlife habitat, and restoring our cultural and historic landmarks. As stewards of the Nation's lands, waters, cultural heritage, and tribal customs, Interior has a unique opportunity to reach out to under-served populations and to ensure these natural and cultural resources are enjoyed by all Americans. Further discussion of this initiative is included in the Youth in the Great Outdoors chapter of the Departmental Highlights.

Interior's 2012 budget request recognizes the importance of the Nation's lands and waters to connecting Americans to the outdoors and to their livelihood and economic prosperity. The budget invests funding in programs designed to meet today's conservation challenges and the responsible multiple purpose use of public lands. The budget request includes \$4.6 billion, an increase of \$12.5 million for BLM, FWS, and NPS land management operations.

**Bureau of Land Management Operations**—The 2012 BLM operations request is \$1.0 billion, a decrease of \$25.3 million below the 2010 Enacted / 2011 CR level. Among the changes, this net reduction includes \$38.0 million in oil and gas inspection costs being shifted to industry fees. The budget will advance key goals of the America's Great Outdoors initiative with funding increases that will address significant needs for operations and maintenance of public lands. Funding will be focused on priority areas to increase and improve recreational access and opportunities; raise awareness of the value and benefits of conservation through education and partnerships; and conserve and restore valuable natural and cultural resources.

The request includes \$29.9 million in programmatic increases that benefit cultural resources and recreation management programs and the national landscape conservation system units, recognized for their outstanding cultural, ecological, and scientific values. Funds would be used to inventory and catalog museum collections to determine the presence of archaeological, paleontological, and historical resources, conduct more stabilization and protection projects, and expand interpretation and information sharing, among other activities.

The additional funds for recreation will enable the BLM to accelerate the development and implementation of travel management plans to enhance authorized access for off-highway vehicle use on



public lands, while protecting important natural and cultural resources from unauthorized use. The recreation program will also be able to expand and enhance interpretative and visitor services activities at over 100 recreation areas and sites both within and outside the national landscape conservation system. These enhanced visitor services activities

will emphasize visitor safety, interpretive programs and products to promote resource understanding and stewardship with a focus on involving families and youth, and monitoring to ensure recreation land use plan objectives are being met.

All units of the national landscape conservation system will benefit from the 2012 funding increases, including national monuments and national conservation areas, wild and scenic rivers, and national scenic and historic trails. The increase will allow BLM to implement resource management plans, enhance law enforcement activities, and conduct vegetative treatments and landscape health monitoring activities.



**Fish and Wildlife Service Operations** – The 2012 FWS budget request for the Resource Management account is \$1.3 billion, an increase of \$2.5 million above the 2010 Enacted /2011 CR level. The budget request will help advance key goals of the America's Great Outdoors initiative, with \$30.5 million in net programmatic increases in the FWS operating account that have been partially offset by funding reductions for administrative efficiencies. The national wildlife refuge system has unique authorities and flexible programs that deliver landscape level conservation while at the same time provide outdoor recreation, hunting, and fishing compatible with protecting wildlife populations. Annually, more than 42.5 million visitors come to refuges to hunt, fish, observe, and photograph wildlife and participate in environmental education and interpretive programs on refuges, generating \$1.7 billion in revenue and supporting nearly 27,000 jobs. Millions of acres of refuge lands are owned outright and managed wholly by FWS to protect habitat for fish and wildlife. Additionally, the refuge system uses easements and partnership programs that protect important habitat features on private working lands.

The 2012 FWS budget requests a program increase of \$16.1 million for the refuge system. Funds will be used to enhance the protection of wildlife and habitat from various impacts, update exhibits and educational materials, and increase the number of wildlife inventories. Of the funding increase requested, \$8.0 million will expand necessary inventory and monitoring on refuges to establish baselines and determine the status and trends of fish, wildlife, and plants. Refuge habitats are impacted by land use changes off refuges, the spread of invasive species, and changing weather patterns and climate. Establishing biological baselines on refuges will better equip FWS to conduct vulnerability assessments and protect and restore natural landscapes with native vegetation and provide increased habitat connectivity.

A \$6.5 million increase will cover the costs of necessary operational supplies, utilities and fuel, and other requirements. It will also be used to hire seasonal employees, restore habitats, and control invasive species. These activities are essential in protecting and restoring habitat for trust species while providing access to and enjoyment of these wildlife resources to the public.

Another \$1.8 million of the funding increase for wildlife refuges is targeted at restoring the Chesapeake Bay. The requested funding would be used to improve habitat for FWS priority fish and wildlife trust species through habitat restoration and management on 13 national wildlife refuges within the Chesapeake Bay Watershed. Much of the work would be done by expanding existing partnerships. The FWS would develop population and habitat models on and off national wildlife refuges to determine the ability of Chesapeake Bay lands and waters to conserve priority populations of aquatic species, endangered and threatened species, migratory birds, and other Federal trust resources.



## MIGRATORY BIRD JOINT VENTURES PROGRAM

The 2012 budget includes an increase of \$1.6 million to restore habitat and populations of declining bird species through the FWS' successful Joint Ventures program.

Migratory birds, dependant on flyways, are particularly impacted by habitat loss and degradation due to agricultural expansion, suburban development, and other causes of landscape fragmentation. Increased funding to support Joint Ventures' strategic partnerships supports improved conservation in critical areas. Priority will be given to those joint ventures that can expand their capacities to integrate planning and delivery with Department of Agriculture conservation programs, State Wildlife Action Plans, and other major landscape initiatives and programs.

Approximately 19 new inventories would be completed with this funding. Funding would also be used to better control non-native species, such as stiltgrass, phragmites, kudzoo, and trumpet vine. Once detected, rapid response teams would act to eradicate or control infestations of invasive species before they can become established.

Another FWS program that will contribute to the America's Great Outdoor initiative is the Partners for Fish and Wildlife program. This private lands conservation program brings the technical biological expertise of FWS to farmers, ranchers, and other private landowners to protect and restore native habitat for fish and wildlife species through cost sharing agreements. The 2012 budget maintains funding to enable private landowners to participate in habitat conservation in ways that connect them to nature, while helping the Federal government meet its responsibilities in protecting and restoring fish and wildlife populations.

**National Park Service Operations** – The 2012 NPS budget request is \$2.3 billion, an increase of \$35.3 million above the 2010 Enacted / 2011 CR level. Since 1916, NPS has been a steward of awe-inspiring landscapes, treasured icons, and local parks in which the American public recreates. With the help of volunteers and park partners, NPS proudly operates 394 park units, sharing the stories and breathtaking

beauty of these sites with more than 285 million visitors every year.



The 2012 NPS budget request includes \$39.5 million in park base increases that will help advance key goals of the America's Great Outdoor initiative. This increase provides funding for engaging youth in the great outdoors; protecting and interpreting cultural resources, in particular those that interpret the history of the Civil War; and improving the condition of park system facilities. The 2012 request also continues to support important ecosystem restoration projects such as the Everglades and Chesapeake Bay restoration programs. The allocation of funding will be focused on highest priority needs to leverage other activities. For example, in 2012 an increase of \$205,000 will support the "A Trail to Every Classroom" professional development program for teachers and management partners from Georgia to Maine. This program will promote civic engagement, environmental awareness, and healthy lifestyles by using the Appalachian National Scenic Trail as an education resource. This summer institute, piloted in 2006, offers a wide array of educational activities including citizen science and curriculum development. Subsequent demand from teachers for this program is very high, with two teachers applying for each space in the program.

**NPS Rivers and Trails** – The NPS budget request includes \$10.0 million, an increase of \$1.1 million to expand the NPS Rivers, Trails, and Conservation Assistance program to help communities increase and improve recreational opportunities. Working in communities across the Nation, this program provides expertise and experience to help citizens and community groups achieve on-the-ground conservation successes and urban renewal for their projects. From urban promenades to trails along abandoned railroad rights-of-way to wildlife corridors, the rivers and trails program promotes the creation and restoration of diverse greenways, as well as river conservation activities spanning downtown riverfronts to regional water trails to stream restoration. This increase will provide an



important resource to local communities as they work with States to implement the projects funded from the \$200.0 million NPS LWCF State grants program proposed in the 2012 budget. The rivers and trails program staff can help communities identify resources, navigate the planning process, and convert ideas into actions.

## CONSERVING AND RESTORING AMERICA'S GREAT OUTDOORS

*We have fallen heirs to the most glorious heritage a people ever received, and each one must do his part if we wish to show that the Nation is worthy of its good fortune.*

*Theodore Roosevelt  
July 4, 1886*

At the beginning of the 20<sup>th</sup> century, Americans realized the immense natural wealth of the United States was limited, as symbolized by the closure of the western frontier and the disappearance of the great bison herds on the Great Plains. In response, President Theodore Roosevelt made natural resource conservation a primary goal of his Administration. Roosevelt focused on the public estate, placing approximately 230 million acres under public protection. He created five national parks, signed the 1906 Antiquities Act, established 18 national monuments, and set aside the first lands to become national wildlife refuges.

The America's Great Outdoors initiative celebrates Roosevelt's legacy as a new chapter in American conservation is being written. Some of today's challenges are similar to those faced at the dawn of the

20<sup>th</sup> century; the need for economic revitalization; creating shared public spaces in cities and towns; conserving public lands; protecting clean and abundant water for human consumption, agriculture, and other uses; and protecting the Nation's cultural and historic treasures.

However, new challenges have emerged. Today, approximately two million acres of working farms, ranches, and forests are being lost annually to development and fragmentation. With over seventy percent of the Nation's lands privately owned, working lands are vital to conserve water resources, ecosystems, and wildlife and to provide recreational opportunities for hunters, anglers, and other outdoor enthusiasts. In the 21<sup>st</sup> century, partnerships with both private and public stakeholders will be critical to the success of conservation and restoration goals. Throughout the listening sessions, people across the country called for better collaboration between the public and private sectors; State, local, and tribal governments; and between local communities and the Federal government in helping citizens to realize the wide-ranging benefits of a revitalized connection to the outdoors. This initiative fully embraces the principles of partnerships and collaboration in meeting its conservation objectives.



Local communities and private landowners are eager to partner with the Federal government to achieve shared goals: vibrant rural communities; sustainable livelihoods in farming and forestry; safe open spaces for recreation; and healthy ecosystems. Conservation easements are one cost-effective tool through which private landowners and the Federal government can enter into mutually beneficial agreements that help keep our working lands – forests, farms and ranches – in production, while delivering conservation benefits to the broader landscape. These voluntary agreements provide an economic boost for rural landowners who wish to undertake conserva-

tion activities on their own lands, often alongside agricultural operations. Easement programs are so popular with private landowners that in some places the supply of willing sellers far outstrips Federal capacity to work with them. In just one region, for example, FWS maintains a list of over 1,000 private landowners who wish to participate in its conservation easement programs. These landowners seek to collaborate with the government on conservation easements that, cumulatively, could protect over 500,000 acres of private land.



Throughout the listening sessions, citizens validated the need to conserve the Nation's lands and waters. They sustain people, providing opportunities for recreation, relaxation, and renewal. The public lands and waters promote access to the great outdoors through hiking, biking, or horseback riding along a local trail, a family ski vacation, a visit to a historic or cultural site, or a weekend fishing trip. All of these types of activities improve our quality of life, while also bringing economic benefits to local communities.

Many rural communities rely on the Federal government's management of public lands for multiple purposes, including forestry, grazing, renewable and nonrenewable energy, and other historic activities, as sources of employment and economic growth. An economic impact analysis completed by the Department in December 2009, reports an estimated \$130 billion and 583,000 jobs are generated annually from BLM lands, primarily in energy and minerals related activity.

Urban communities rely on public lands as greenspaces for recreation and education, protection of watersheds that are sources of potable water, and areas for hunting and fishing. Balancing consumptive and non-consumptive uses of public lands has become increasingly important. Land restoration

activities and the emerging area of renewable energy can provide both environmental benefits and jobs for local communities.

**Land and Water Conservation Fund** – Created in 1964, the LWCF helps preserve, develop, and assure access to outdoor recreation resources. Every year revenues received from offshore oil and gas production, the sale of surplus Federal real estate, and taxes on motorboat fuel are deposited into the fund. Since 1977, \$900.0 million has been collected annually into the fund, and is available, subject to appropriation, to fund Federal land acquisition; conserve threatened and endangered species; and provide grants to States. A total of \$31.7 billion has been collected into the fund since its inception in 1964, of which \$16.5 billion remains in balances in the fund.

To date, the program has provided more than \$15 billion specifically to acquire lands and as grants to State and local governments to:

- Provide recreational opportunities.
- Provide clean water.
- Preserve wildlife habitat.
- Enhance scenic vistas.
- Protect archaeological and historical sites.
- Maintain the pristine nature of wilderness.

Interior's 2012 request, together with the Forest Service's request, fully funds the LWCF at \$900.0 million. The Department estimates the \$675.0 million Interior LWCF request will contribute an estimated \$1.0 billion in economic output and support about 7,600 jobs. Along with this significant economic impact, full funding in 2012 will increase the Federal government's ability to engage in strategic conservation that yields measurable ecological outcomes and community benefits. Activities funded under the LWCF will continue to ensure public access to the outdoors, preserve natural resources and landscapes, and protect irreplaceable cultural and historic sites. Input from the America's Great Outdoors nationwide public listening sessions indicated full funding of the LWCF program is a high priority for the American people. The LWCF funding detail is contained in Appendix F.

The request also includes \$5.0 million for the Highlands Conservation Act, to provide grants to Connecticut, Pennsylvania, New Jersey, and New

## A NEW APPROACH TO FEDERAL LAND ACQUISITION

To formulate the 2012 Federal land acquisition priorities, the Departments of the Interior and Agriculture worked together on the first ever Federal government-wide process to coordinate land acquisition and conservation strategies for programs funded by the Land and Water Conservation Fund using merit-based criteria. The goal was to collaboratively identify important landscape and strategically leverage Federal resources to conserve them throughout the country.

The Interior bureaus and Forest Service identified geographic areas with shared strategic conservation objectives, where collaboration is feasible, and where prompt action can protect important natural and cultural resources. The agencies also sought out areas with significant opportunities to leverage additional non-Federal funding, to coordinate with other Federal, State, local, and tribal governments to maximize conservation outcomes, and to realize economic and community benefits, such as new or enhanced outdoor recreation opportunities from strategic investment in land conservation. With this in mind, the agencies agreed to focus in twelve geographic areas as well as yet to be defined urban areas:

**CALIFORNIA DESERT** *Mediterranean Coast to Desert – California*

**CHESAPEAKE** – *Delaware, District of Columbia, Maryland, New York, Pennsylvania, Virginia, West Virginia*

**CONNECTICUT RIVER** – *Connecticut, Massachusetts, New Hampshire, Vermont*

**CROWN OF THE CONTINENT** – *Idaho, Montana, Wyoming*

**EVERGLADES AND SOUTH FLORIDA** – *Florida*

**GRASSLANDS AND PRAIRIE POTHOLES** – *Iowa, Minnesota, Montana, Nebraska, North Dakota, South Dakota, Wyoming*

**LONGLEAF PINE** – *Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Texas*

**LOWER MISSISSIPPI VALLEY** – *Arkansas, Illinois, Louisiana, Mississippi, Missouri, Tennessee*

**NORTH WOODS** – *Maine, New York, New Hampshire, Vermont*

**PACIFIC NORTHWEST** – *Alaska, California, Idaho, Oregon, Washington*

**SOUTHERN ROCKIES** – *Arizona, Colorado, Montana, New Mexico, Utah, Wyoming*

**SOUTHWEST DESERT** – *Arizona, New Mexico*

**URBAN AREAS**

Projects were selected using bureau and Department-wide merit-based selection processes tied to bureau mission goals. Projects may have been given additional weighting if they also contributed to conservation objectives in these areas. These criteria include the mission value of the planned acquisition, feasibility of acquiring and operating lands, availability of willing sellers, potential for imminent development of the property, and participation of partners. Some criteria may be more heavily weighted for certain bureaus, such as the value of acquisition for threatened and endangered wildlife in the case of FWS.

This new approach will significantly advance merit-based projects that are collaborative, integrate the efforts of multiple entities, and focus on highest priority conservation objectives.

York for the protection of lands in some of the last remaining contiguous natural habitat near major metropolitan areas.

**Federal Land Acquisition** – Interior’s acquisition programs work in cooperation with local communities, rely on willing sellers, and maximize opportunities for easement acquisitions. The public is engaged in the planning, development, and conservation of these areas. The 2012 proposal for Federal acquisition is \$465.0 million, an increase of \$187.1 million above the 2010 Enacted/2011 CR level. This includes \$375.0 million for Federal acquisition by Interior bureaus and \$90.0 million by the Forest Service. This request is the result of strategic coordination at the highest levels among Federal land management agencies. The requested funds will address the most urgent needs for recreation; species and habitat conservation; and the preservation of landscapes, and historic and cultural resources. The LWCF funds will also help the government achieve greater efficiencies through acquisitions that resolve management issues.

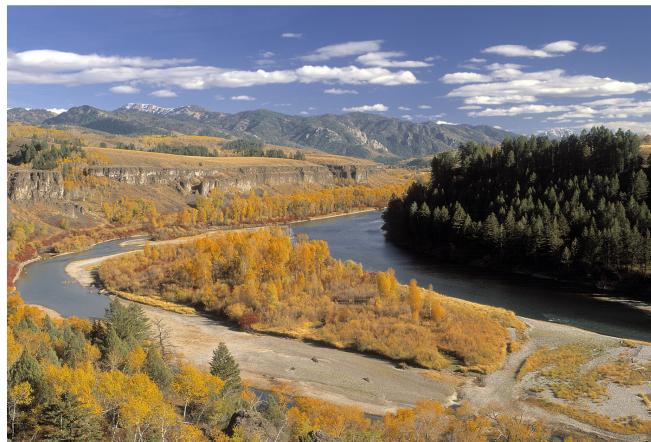
The Departments of the Interior and Agriculture worked together on the first-ever Federal government-wide process to coordinate nationwide land acquisition and conservation strategies in 2012. The agencies – the Forest Service, BLM, FWS, and NPS – collaboratively identified landscape scale opportunities throughout the country where LWCF funds could be used to leverage other Federal resources, along with those of non-Federal partners, to achieve shared conservation outcome goals in high priority landscapes. Interior has shared its information on the focal areas with the Department of Defense’s Readiness and Environmental Protection initiative and will continue to collaborate with them on common conservation goals.

**Bureau of Land Management** – The BLM request of \$50.0 million for land acquisition is an increase of \$20.4 million above the 2010 Enacted/2011 CR level. The request includes \$3.4 million in acquisition management, inholdings, exchanges, and emergency acquisition and \$46.6 million in line-item projects. Funding will be used for additions to the national landscape conservation system, national historic trails, national wild and scenic rivers, and special resource management areas.

The BLM will purchase easements or acquire approximately 38,600 acres in Arizona, California, Colorado, Idaho, Montana, New Mexico, Oregon, and Wyoming. The BLM proposes to invest in the

interagency focal areas including: \$15.3 million in the Crown of the Continent; \$9.2 million in the Southern Rockies; \$1.0 million in the Southwest Desert; \$10.0 million in the Pacific Northwest; and \$6.0 million in the California Desert. In addition, BLM has identified \$5.1 million in four additional high priority projects that, while not in the boundaries of a geographic focal area, are important to fulfilling land management responsibilities.

These acquisitions will focus on the protection of habitat important for the preservation of natural and cultural resources and for recreation. For example, an investment of \$6.0 million in the Upper Snake / South Fork Snake River Area of Critical Environmental Concern/Special Recreation Management Area would conserve and enhance significant scenic,



recreational, and wildlife resources within the Snake River corridors. This request consists of acquisitions and conservation easements on 3,045 acres of working landscapes that are within a nationally important bird area and a world famous, blue ribbon fishery. The diverse recreational opportunities account for 335,000 recreational visits per year as well as sustain habitat for a broad variety of plants, fish, birds, and wildlife.

**Fish and Wildlife Service** – The 2012 FWS request is \$140.0 million, an increase of \$53.7 million above the 2010 Enacted/2011 CR level. The FWS request includes \$26.0 million in acquisition management, inholdings, exchanges, and emergency acquisition and \$114.0 million in line-item projects. Funds will be used for additions to existing refuges to protect 90,500 acres of significant and high priority wildlife and their habitat. The FWS will make investments in significant river, riparian, and wetland habitat that will protect aquatic and terrestrial species dependent on these habitats.

The FWS 2012 land acquisition request includes the purchase of conservation easements from four different owners for a total of \$8.0 million in the Rocky Mountain Front Conservation Area. Funds would acquire 19,277 acres in permanent conservation easements. The Rocky Mountain Front is considered to be one of the best intact ecosystems remaining in the lower 48 States. Nearly every wildlife species described by Lewis and Clark in 1806, with the exception of the iconic free ranging bison, still exist on the Front in relatively stable or increasing numbers. Protecting these tracts with conservation easements prevents fragmentation and preserves the environmental and economic health of these landscapes. It would also provide income to the rural landowners who own and care for these valuable lands.

The FWS will acquire high priority lands in the following interagency focal areas: \$2.3 million in the Chesapeake; \$6.5 million in the Connecticut River; \$9.5 million in the Crown of the Continent; \$5.0 million in the Grasslands and Prairie Potholes; \$12.6 million in the Longleaf Pine; \$6.8 million in the Lower Mississippi Valley; \$2.3 million in the



North Woods; \$4.8 million in the Pacific Northwest; \$500,000 in the Southern Rockies; and \$13.1 million in Urban Areas. In addition, FWS has identified \$50.7 million in 23 additional high priority projects that, while not in the boundaries of a geographic focal area, are important to fulfilling FWS responsibilities.

**National Park Service –** The 2012 NPS budget request for Federal land acquisition is \$160.0 million, an increase of \$73.7 million above the 2010 Enacted / 2011 CR level. The NPS request for Federal land acquisition includes \$41.0 million in acquisition management, inholdings, exchanges, and emergency acquisition and \$109.0 million in line-item

projects. Funds will be used by NPS to acquire 98,800 acres as additions within existing park unit boundaries to protect high priority natural, cultural, and historical properties. The request also includes \$10.0 million for the American Battlefield Protection program land acquisition grants, which will be used to provide grants to States and local communities to preserve and protect Civil War battlefield sites. This includes \$1.0 million over the 2010 Enacted / 2011 CR level requested in the budget to preserve the most threatened battlefields in preparation for the Civil War Sesquicentennial.

The 2012 request includes \$2.0 million for the NPS City of Rocks National Reserve in Idaho to acquire two tracts totaling 878 acres. This acquisition will serve to protect significant American cultural and historical areas and to preserve the surrounding natural landscape.

The budget request includes a total of \$15.0 million to protect and preserve the Teton Range, its surrounding landscapes, ecosystems, and cultural and historical resources. At the time of Statehood in 1890, the Federal government granted Wyoming lands to be held in trust by the State to provide revenue for its schools. Approximately 1,400 acres of these school trust lands were subsequently included within the boundaries of Grand Teton National Park when the park was established in 1950. The Grand Teton National Park Land Exchange Act authorizes Federal acquisition of the school lands. The State of Wyoming entered into an agreement with the United States for a phased conveyance, to be completed by January 5, 2015. The 2012 portion of the conveyance will be \$10.0 million. The NPS also requests \$5.0 million to acquire land used by the largest American elk herd as a winter ground just inside the park's southwest boundary, which is also a highly visible and scenic landscape in the foreground of the Teton Range.



The NPS requests \$1.0 million to protect 56 acres of land in the Golden Gate National Recreation Area. This investment would preserve a significant natural landscape while providing access to recreational opportunities and open space in a large urban environment that is accessible to more than six million people who live within an hours drive.

The NPS will acquire high priority lands in the following interagency focal areas: \$3.0 million in the California Desert; \$3.4 million in the Chesapeake; \$16.3 million in the Crown of the Continent; \$30.6 in the Everglades and South Florida; \$1.5 million in the Grasslands and Prairie Potholes; \$5.2 million in the Longleaf Pine; \$1.8 million in the North Woods; \$9.6 million in the Pacific Northwest; \$7.6 million in the Southern Rockies; and \$4.8 million in Urban Areas. In addition, NPS has identified \$25.4 million in 11 additional high priority projects that, while not in the boundaries of a focal area, are important to fulfilling NPS stewardship responsibilities for resource preservation and recreation.

**NPS Grants** – Urban parks and community green spaces contribute to the social fabric of America's communities, and neighborhood parks are among the few public places where communities can congregate close to home and at no cost. For many people, these local, open environments are a stepping stone into the great outdoors that can lead to a lifelong bond with nature and enjoyment of the benefits that come with it. Parks and green space also generate economic benefits for communities and provide important and cost-effective ecological services, such as filtering water and air, managing storm runoff, and offering protective shade. For example, a 2008 study by the Trust for Public Land found that Philadelphia's park system provided the city with revenue of \$23.3 million, municipal cost savings of \$16.1 million, resident cost savings of \$1.1 billion, and \$729.1 million generated in wealth for residents in 2007.

Permanently protected easements on privately owned lands also provide benefits such as water supply protection, fish and wildlife habitat, and erosion control. For example, in 2010 the Trust for Public Land analyzed the State of Colorado's financial return on public investments in conservation easements, finding a return of six dollars in benefits for each dollar invested.

The 2012 NPS budget request includes \$200.0 million, an increase of \$160.0 million over the 2010 Enacted /2011 CR level, for NPS State Conservation

grants. This includes \$195.0 million for grants and \$5.0 million for administration. Of the total included for grants, at least \$78 million will be distributed equally to States as required by law, an increase of



\$40.8 million over the 2010 Enacted / 2011 CR level. With the remaining funds, the 2012 budget proposes developing a competitive component targeted at community parks and green spaces, landscape-scale conservation, and recreational blueways.

This significant increase will help States promote outdoor recreation and conservation in large urban centers where access to natural areas has been inhibited or is unavailable. It also will engage young people and their families in the outdoors, particularly those in underserved communities; protect and restore open space and natural landscapes; and provide access to waterways. Consistent with the LWCF Act, projects will be limited to planning; acquisition of land, waters, or interests in land or waters; development of land or waters; or a combination thereof, to increase opportunities for public outdoor recreation.

**FWS Conservation Grants** – Recognizing that no single entity – Federal, State, tribal, local or private – is able to provide the resources necessary to achieve the Nation's conservation goals, the FWS administers a number of grant programs that are matched by partners. Interior's 2012 budget includes \$150.0 million, an increase of \$22.4 million above the 2010 Enacted /2011 CR level for FWS Conservation Grant programs. Included is \$50.0 million for North American Wetlands Conservation Act grants, a \$2.4 million increase; \$95.0 million for State and Tribal Wildlife grants, a \$5.0 million increase; and \$5.0 million for Neotropical Migratory Bird Conservation grants. An additional \$100.0 million for

the Cooperative Endangered Species Conservation Fund is financed through the LWCF, an increase of \$15.0 million.

*North American Wetlands Conservation Act* grants were the catalysts for over 100 public-private wetlands conservation partnerships that acquired, conserved, restored, and protected nearly 800,000 acres of wetlands in 2010. For over 20 years, grants made available through this program have fostered public-private partnerships to protect and improve the health and integrity of wetland and wetland-associated landscapes. Through 2010, this program, in partnership with over 4,300 private landowners, States, non-governmental conservation organizations, Tribes, Federal agencies, trusts, and corporations, has supported over 2,000 projects. These projects have supported conservation efforts in all 50 U.S. States, Puerto Rico, the U.S. Virgin Islands, 13 Canadian provinces and territories, 31 Mexican States, and the Federal District of Mexico. The FWS budget includes \$50.0 million to build on these projects that have already protected, restored, and enhanced 7.7 million acres.



*State and Tribal Wildlife Grants* assist States, the District of Columbia, Commonwealths, Territories, and Tribes, in protecting fish and wild-

life populations along with their habitat, including nongame species. The FWS budget requests \$95.0 million, a \$5.0 million increase, for grants to help conserve and recover imperiled fish and wildlife. To target a sizable share of the funds toward national conservation objectives, the 2012 request includes \$20.0 million to be awarded competitively to States and \$8.0 million to be awarded competitively to Tribes. Competitive allocation provides an incentive for projects to be collaborative, cost-efficient, landscape focused, and forward thinking.

*Neotropical Migratory Bird Conservation* grants support projects, which benefit more than 350 species of neotropical migratory birds that breed in the U.S. and Canada and winter in Latin America. The 2012 FWS request includes \$5.0 million for Neotropical Migratory Bird Conservation grants.

*Cooperative Endangered Species Conservation Fund* grants, authorized by the Endangered Species Act, also are funded through the LWCF. These grants provide funds to States to work with private landowners, conservation organizations, and other partners to protect and conserve the habitat of threatened and endangered species. The 2012 request includes \$100.0 million, an increase of \$15.0 million. Together with State matching funds, the grants will be used for the development of habitat conservation plans, acquisition of lands in support of habitat conservation plans and to facilitate species recovery, as well as grants for States to improve the status of species through public education and outreach, habitat restoration, species status surveys, and captive propagation.

**Historic Preservation Grants** – America's great outdoors are endowed with a vast collection of natural and cultural features that reflect both community and national character. As economic pressures, development, and the effects of time threaten the sustainability of heritage resources, locally led partnership initiatives can guide broader decision-making efforts to preserve these unique places. Working with State and local partners, NPS plays a vital role in preserving the Nation's cultural history through a variety of programs that address historic preservation needs nationwide. The 2012 budget request includes \$62.4 million for NPS historic preservation grants, an increase of \$6.5 million above the 2010 Enacted / 2011 CR level. Of this amount, \$61.0 million is for NPS Historic Preservation Fund grants-in-aid to States and Territories, and Tribes. This is a \$6.5 million increase above the 2010 Enacted / 2011 CR level, including \$3.5 million for grants-in-aid to States and Territories and \$3.0 million to Tribes. These grants assist State and Tribal Historic Preservation Offices in their efforts to protect and preserve their historic resources and carry out other activities pursuant to the National Historic Preservation Act and other laws.



## NPS HISTORIC PRESERVATION GRANTS

The NPS works with entities in America's towns and cities to promote conservation and preservation of historic properties and collections. The NPS assists Indian Tribes, and State and local governments in their efforts to return historic buildings to productive use, recognize and promote local history, and introduce the next generation to stewardship opportunities and responsibilities.

The Historic Preservation Fund promotes public-private and Federal and non-Federal partnerships to identify and protect irreplaceable historic and archeological resources. The NPS Grants-in-Aid to States and Territories, and Tribes program supports State and Tribal Historic Preservation Offices, which provide grants for local historic preservation and carry out activities pursuant to the National Historic Preservation Act and other laws.

These activities include:

- Comprehensive survey and inventory of historic properties.
- National Register of Historic Places nominations.
- Assistance to governments at all levels to develop and implement preservation plans and programs.
- Assistance to property owners in repairing properties listed in the National Register of Historic Places.
- Assistance evaluating commercial property rehabilitation proposals for Federal tax incentives.

Additionally, the NPS American Battlefield Protection program grants are funded at \$1.4 million, equal with the 2010 Enacted / 2011 CR level. These grants, which complement the American Battlefield Protection program land acquisition grants funded through the LWCF, assist in the preservation and protection of America's significant battlefields site identification and documentation, planning, interpretation, and educational projects.

## RENEW RIVERS AND OTHER WATERS OF AMERICA

More than 3.6 million miles of rivers and streams wind through this Nation and provide America's drinking water, fuel the economy, sustain critical ecosystems, and offer endless opportunities for recreation and enjoyment. From the Columbia River to the upper Midwest prairie potholes, water has shaped the Nation's social, cultural, and economic development and enabled its prosperity.

During the America's Great Outdoors listening sessions, participants expressed a passion for the rich natural and cultural history of the Nation's waterways, impressive knowledge of their economic and ecological importance, and enthusiasm for their conservation. Hundreds of people described the steps they are taking to protect and connect with the rivers and waterways in their own communities to promote conservation, recreation, economic growth, and community redevelopment.

Federal efforts are already underway to restore and conserve several large-scale, aquatic ecosystems including the Everglades and Great Lakes. In recent decades, Federal, State, tribal and local governments, and private organizations and landowners have built effective partnerships to restore and protect these remarkable systems.

The Department's 2012 budget request targets coordinated investments to make meaningful progress toward restoration of degraded ecosystems. Interior bureaus are working together along with other Federal, State, and local entities to advance ecosystem restoration efforts with focused programs in the Everglades, California's Bay-Delta, Gulf Coast, Chesapeake Bay, Great Lakes, and Columbia River Basin. Within the Chesapeake Bay ecosystem, Inte-



## EVERGLADES

On January 7, 2011, Secretary Salazar announced the preliminary New Everglades Headwaters National Wildlife Refuge and Conservation Area. This initiative will conserve working lands and wildlife habitat and is a result of the FWS efforts working with private landowners, conservation groups and Federal, tribal, State and local agencies.

*The Everglades rural working ranch landscapes are an important piece of our Nation's history and economy, and this initiative would work to ensure that they remain vital for our future. The partnerships being formed would protect and improve water quality north of Lake Okeechobee, restore wetlands, and connect existing conservation lands and important wildlife corridors to support the greater Everglades restoration effort.*

*Secretary Ken Salazar  
January 7, 2011*

The FWS, along with its partners, is conducting a preliminary study to establish a new National Wildlife Refuge and Conservation Area of approximately 150,000 acres that will protect important environmental and cultural landscapes in the Kissimmee River Valley south of Orlando, Florida. The proposed area includes 50,000 acres for potential purchase from willing sellers, and an additional 100,000 acres that could be protected through conservation easements and cooperative agreements, keeping the land in private ownership.

In addition to improving water quality, the proposed conservation area and refuge would protect important habitat for 88 Federal and State listed species, including the Florida panther, Florida black bear, whooping crane, Everglade snail kite and the Eastern indigo snake. It will also link to approximately 690,000 acres of partner conserved lands. More than a dozen partners are working together through the Greater Everglades Partnership Initiative on the proposed refuge and conservation area. Their efforts are part of a larger conservation effort across south-central Florida.



rior bureaus are restoring habitat, sustaining fish and wildlife, and conserving land and increasing public access. Within California's Bay-Delta ecosystem, bureaus work in close partnership with the State of California and local authorities to restore species and the ecosystem; assist in optimizing water supplies and encourage sustainable use of Bay-Delta water; and help to deliver drought relief services and implement an integrated Bay-Delta flood risk management program.

**Everglades** – The 2012 budget requests a total of \$103.5 million for Everglades restoration, an increase of \$31.6 million over the 2010 Enacted / 2011

CR level. This will fund important land acquisition projects at Everglades National Park and Big Cypress National Park and Preserve, as well as provide the final installment of funding for the Modified Water Deliveries project. In 2012, FWS will develop conservation plans and strategies to protect imperiled species such as the Florida panther and sea turtles; undertake recovery actions in support of 67 listed species in south Florida, such as controlling the Burmese python, an invasive species that is quickly expanding its range in Florida; and study the potential distribution and impact of environmental contaminants found in former agricultural lands that are being restored to their original wetland state.

**Chesapeake Bay** – The Chesapeake Bay watershed encompasses 64,000 square miles, parts of six States, and the District of Columbia. The Chesapeake Bay is the largest estuary in North America and is ecologically, economically, and culturally critical to the region and the Country. Nearly 17 million people live in the watershed, and it is also home to more than 3,600 species of fish, plants, and animals, from blue crabs to bald eagles. The region includes countless cultural and historical sites from Civil War battlefields to America's first permanent European settlement at Jamestown, Virginia.

On May 12, 2009, President Obama signed an Executive Order on Chesapeake Bay Protection and Restoration. The Order calls for renewed, shared leadership action to control pollution, protect and restore habitat, improve natural resource management, and accelerate water quality and ecosystem health improvements. The efforts of the past 25 years to reduce pollution and clean up the Bay and its tributaries have yielded some progress. However, the Chesapeake Bay and many of its tributaries remain in poor health. The Bay continues to be polluted, primarily by nitrogen and phosphorus from agriculture, and runoff and discharge from cities, towns, and wastewater plants. Airborne contaminants also adversely impact the Bay. Human activity and development has transformed the natural landscape. Many forests and wetlands that previously filtered pollution and provided wildlife habitat have been lost to development. Some farms have been converted to subdivisions, and suburban sprawl has led to a proliferation of roads, parking lots, and rooftops, intensifying runoff and non-point source pollution. Overharvesting of fish and shellfish has contributed to the decline of key species in the Bay. These declines have had a very significant impact on traditional Bay uses, like oystering and crabbing. Populations of oysters are at an all-time low, and habitats such as underwater grass beds and wetlands are degraded. Scientific studies suggest that the effects of climate may result in elevated sea levels, temperature changes in the water and air, and increased frequency and intensity of storms in the Chesapeake Bay.

The 2012 request includes \$33.7 million, an increase of \$12.4 million over the 2010 Enacted / 2011 CR level to expand Interior's efforts to conserve and protect the Bay's resources within the budget requests for USGS, FWS, and NPS. The Department has 13 wildlife refuges and 51 national park units throughout the watershed.

The 2012 budget for USGS includes an increase of \$4.6 million to restore water quality by monitoring and assessing the effectiveness of current practices to reduce nutrient and sediment loads from agricultural and urban / suburban lands in the Bay watershed; restore habitats and sustain species by documenting the occurrence of emerging contaminants in water, sediment, and fish; and work with FWS and EPA on potential management solutions and implications for reducing toxic discharges in the Bay watershed.

The 2012 budget for FWS includes an increase of \$5.0 million to restore habitats for priority species on and off FWS lands, investigate wildlife impacts from contaminant discharges, develop and expand migratory bird monitoring protocols and fish surveys, and expand opportunities for Chesapeake Bay oriented wildlife observation and public education.



The 2012 budget for NPS includes an increase of \$2.8 million, of which \$1.0 million will provide matching grants to State, local, and non-governmental partners throughout the Chesapeake Bay watershed, particularly along the Bay, Susquehanna River, and other major tributaries. This funding will be used to facilitate additional or expanded public access to the Bay and tributaries. In addition, NPS will assist partners in enhancing public interpretation and education of watershed resources and stories, strengthen heritage tourism within the region, and promote citizen stewardship of the Bay.

**Great Lakes** – The environment of the Great Lakes region is bestowed with wide swaths of forest and wilderness areas, rich agricultural land, hundreds of tributaries, thousands of small lakes, and extensive mineral deposits. The region's sand dunes, coastal marshes, rocky shorelines, lake plain prairies, savannas, forests, fens, wetlands, and other landscapes contain features that are globally unique. The re-

gion's glacial history and the influence of the lakes themselves create unique conditions that support a wealth of biological diversity, including over 200 globally rare plants and animals and more than 40 species that are found nowhere else in the world. The Great Lakes environment supports a world-class fisheries, with an estimated 180 species of native fish.

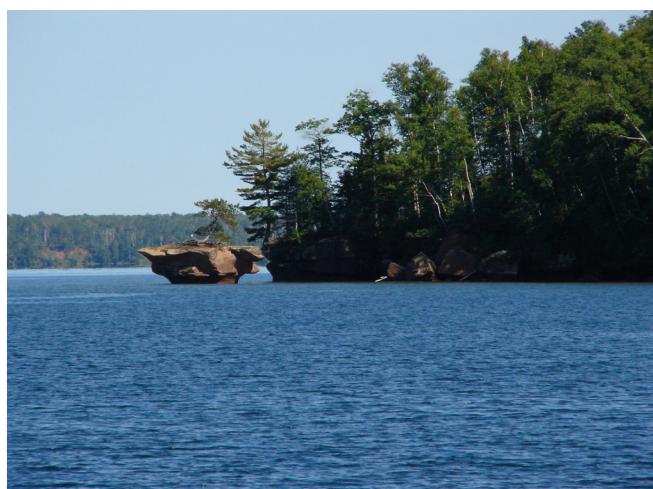
Yet for all their size and diversity, the Great Lakes are not as resilient as they appear, and they face a number of serious challenges. The Great Lakes are highly sensitive to biological and chemical stresses. The most significant of these include toxic substances, invasive species, non-point source pollution and near shore impacts, and habitat and species loss. Better information about mitigating these effects is necessary to guide decision making. Collectively, these problems have seriously compromised the environmental health of the Great Lakes. As a result, there is a new sense of urgency for action to address the highest priorities for restoring and protecting the Great Lakes.

Interior continues to be a leader in the implementation of the Great Lakes Restoration initiative. The Department's 2012 budget includes \$72.9 million for Great Lakes restoration activities across the Nation. Interior also proposed \$55.5 million in 2012 project requests for the restoration initiative led by the Environmental Protection Agency. The 2010 Enacted / 2011 CR includes a total allocation of \$69.5 million to FWS, USGS, NPS, and BIA from EPA for this initiative. Using this funding, the Department has initiated projects and studies involving habitat and wildlife protection and restoration, removal of invasive species, restoration of native species, adaptation strategies for cooperative landscape conservation, monitoring and removal of contaminants and toxic substances, prevention of nonpoint source pollution, and education of the public and partners on restoration efforts. For example, in 2010 FWS implemented over 130 on-the-ground habitat

restoration and enhancement projects that led to 72 grassland acres restored, 332 upland acres restored or established, and 261 wetland acres restored for migratory birds. Multiple cooperative agreements with States, Tribes, and non-governmental organizations have been implemented to control aquatic invasive species, including Asian carp, address emerging contaminant issues, conserve native lake trout and lake sturgeon populations, and protect important coastal and island habitats for migratory bird populations in the Great Lakes.

The FWS, NPS, and USGS collaborated with seven other agencies and organizations to prevent the imminent invasion of Asian carp into the Chicago Area Waterways System and the Great Lakes. Many of the actions outlined in the jointly developed 2011 Asian Carp Control Strategy Framework were implemented. The Framework outlines seven short-term and 26 long-term actions to protect the \$7 billion Great Lakes fishing industry.

The 2012 request builds on these efforts and includes a combined increase of \$6.4 million to fund FWS and USGS in efforts to prevent the spread of Asian carp.





# New Energy Frontier

*Using American ingenuity, we are creating jobs, stimulating local economies and spurring a sustainable, clean energy industrial base that will strengthen our Nation's energy security.*

*Ken Salazar, Secretary of the Interior  
December 20, 2010*

*Now, clean energy breakthroughs will only translate into clean energy jobs if businesses know there will be a market for what they're selling. So tonight, I challenge you to join me in setting a new goal: by 2035, 80 percent of America's electricity will come from clean energy sources. Some folks want wind and solar. Others want nuclear, clean coal, and natural gas. To meet this goal, we will need them all – and I urge Democrats and Republicans to work together to make it happen.*

**President Barack Obama**  
**January 25, 2011**

The Department of the Interior is responsible for managing over 20 percent of the Nation's land mass and more than 1.7 billion acres of the Outer Continental Shelf. These areas contain enormous renewable and conventional energy potential. There are vast solar, wind, and geothermal resources that provide a promise for reducing the Nation's dependence on fossil fuels and for economic revitalization. Interior managed oil and gas reserves are and will continue to be vital elements of the energy portfolio and economy for many years to come.

Secretary Salazar has set goals for Interior's energy programs that will ensure that energy development on America's lands and oceans is done in the right way, in the right places, and with the right protections for the environment and the safety of workers. The goals include:

- Development and implementation of the gold standard for safe oil and gas production from the oceans.

- Outer Continental Shelf oil and gas production that recognizes the Nation's energy needs, along with the limits of technology to ensure safety.
- Implementation of a comprehensive energy agenda to power the economy by making sustainable and renewable energy a pressing priority.

The energy industry is a key component of the nation's economy. Natural gas and oil development alone creates more than nine million jobs and over \$1.0 trillion in economic activity. Interior's energy

## PRIORITY GOAL

The Department has a Priority Goal to help increase renewable energy development on Federal lands. Beginning in 2010, Interior tracked accomplishments in expanding capacity for production of renewable energy resources. The Department approved 12 renewable energy projects in 2010 that, once operational, will produce almost 4,000 megawatts of energy and generate enough energy for one million homes.

The Renewable Energy Goal is to:

**Increase approved capacity for production of renewable (solar, wind, and geothermal) energy resources on Department of the Interior managed lands, while ensuring full environmental review, to at least 10,000 megawatts by the end of 2012.**

programs host a broad portfolio of energy production including renewable energy, oil and gas, coal and other minerals. Development of oil, gas, hydropower and other minerals on Federal lands supports nearly 726,000 jobs and \$295 billion in economic activity. In addition, the Department collects annually significant revenues from bonus bids, royalty, and rental revenue. In 2010, Interior collected \$9.2 billion of mineral revenue that was distributed among approximately 38 States, 41 Tribes, 30,000 American Indian mineral royalty owners, and the U.S. Treasury. In addition, revenues significantly offset the cost of Interior's energy programs.

## 2012 BUDGET SUMMARY

The 2012 budget request supports these goals with a significant infusion of resources for reforms in the Department's energy programs, increased fees to more fully cover the costs of regulatory oversight, actions to ensure that Americans receive a fair return

from the development of mineral resources, and a reorganization of programs and functions to more effectively achieve these goals.

The 2012 budget request invests \$663.3 million in discretionary funding for the Department's energy programs, an increase of \$168.7 million over 2010 Enacted and \$145.7 million over the 2011 CR. Interior's energy programs are also funded by a mandatory appropriation of \$21.0 million for Bureau of Land Management permit processing, which is equal to the 2010 Enacted / 2011 CR levels. The budget increases offsetting collections, including new BLM onshore inspection fees of \$38.0 million and Bureau of Ocean Energy Management, Regulation and Enforcement offshore inspection fees of \$55.0 million. These are partially offset by reduced anticipated collections from BLM applications for permit to drill fees of \$13.0 million. Total funding for this initiative is \$684.3 million.

The budget also includes several legislative proposals related to energy programs, including:

- Charging a fee on non-producing oil and gas leases.
- Sharing the costs of administering Federal energy and minerals programs with the States that receive a share of program revenues.
- Repealing Energy Policy Act provisions that diverted mineral leasing receipts from Treasury to onshore oil and gas operations.
- Terminating Energy Policy Act payments to counties from geothermal development.
- Eliminating Energy Policy Act deep gas production incentives.

Further details on these legislative proposals are contained in the Departmental Overview.

## SUSTAINABLE AND RENEWABLE ENERGY

Renewable resources are central to efforts to reduce America's dependence on foreign oil and fossil fuels, and to power the economy. Interior's efforts

NEW ENERGY FRONTIER (dollars in millions)				
	2010 Enacted/ 2011 CR	2012	Change	
<b>RENEWABLE ENERGY</b>				
BLM.....	16.7	19.7	+3.0	
BOEMRE <sup>1/</sup> .....	31.7	33.6	+1.9	
USGS.....	3.6	6.6	+3.0	
FWS.....	3.0	7.0	+4.0	
BIA.....	4.0	6.0	+2.0	
<b>Subtotal.....</b>	<b>59.0</b>	<b>72.9</b>	<b>+13.9</b>	
<b>CONVENTIONAL ENERGY AND COMPLIANCE</b>				
BLM.....	135.8	133.1	-2.8	
BOEMRE <sup>1/</sup> .....	217.5	324.8	+107.3	
FWS.....	3.1	3.1	0	
BIA.....	1.0	2.5	+1.5	
ONRR <sup>1/</sup> .....	122.1	147.9	+25.8	
<b>Subtotal.....</b>	<b>479.5</b>	<b>611.4</b>	<b>+131.8</b>	
<b>TOTAL .....</b>	<b>538.6</b>	<b>684.3</b>	<b>+145.7</b>	

<sup>1/</sup> Funding for ONRR and BOEMRE are displayed separately due to the reorganization transferring ONRR to the Office of the Secretary in 2012. The ONRR was established at the beginning of 2011 to fulfill the mineral revenue management responsibilities of the former Minerals Management Service.

to approve renewable energy projects, establish transmission corridor rights-of-way, conduct planning to identify areas with the greatest renewable potential, and pilot the use of already disturbed areas for renewable energy projects are significantly advancing renewable energy in the United States.

These efforts began in 2009 when Secretary Salazar established renewable energy development as a priority for the Department and began to create the framework for onshore and offshore renewable energy development, including:

- Creation of BLM Renewable Energy Offices in Arizona, California, Nevada, and Wyoming and teams in Colorado, Idaho, Montana, New Mexico, Utah, and Oregon/Washington to facilitate a rapid and responsible move to large-scale production of solar, wind, geothermal, and biomass projects. These offices have allowed the Department to “fast-track” projects in time to take advantage of American Recovery and Reinvestment Act funding and approve 12 renewable energy projects that, once operating, will produce almost 4,000 megawatts of power, and generate thousands of new jobs.
- Partnering with the Department of Energy to enable development of a 25-square mile Solar Demonstration Zone on Federal lands to demonstrate cutting edge technology and repurpose lands at the Nevada test site, a former nuclear site.
- Initiation of planning to establish 677,400 acres of solar energy zones based on assessments of Federal lands most appropriate for solar energy development.
- Initiation of the Arizona Restoration Design Energy Project to identify disturbed or previously developed sites in Arizona that could be used for renewable energy.
- Promoting the development of wind resources on the Outer Continental Shelf with the creation of an Atlantic Offshore Wind Energy Consortium, reforming the offshore wind permitting process called “Smart from the Start,” and issuing the first offshore commercial wind energy lease – Cape Wind™ – in Nantucket

Sound off the coast of Massachusetts.

- Facilitating renewable energy development opportunities in Delaware, Maine, Maryland, Massachusetts, New Jersey, New York, North Carolina, Oregon, Rhode Island, and Virginia with the creation of Federal-State offshore renewable energy task forces; and undertaking research projects that will identify technological and operational safety issues related to future development of renewable energy.
- Evaluation of Bureau of Reclamation sites for potential addition of hydropower capacity and upgrade; initiation of a project to pilot sustainable, low impact hydropower generation; and evaluation of power plants for optimization.

Harnessing the potential of these resources is central to the Administration’s efforts to reduce this Nation’s dependence on fossil fuels, stimulate the economy, and create jobs.

The 2012 budget request includes \$72.9 million, an increase of \$13.9 million over 2010 Enacted/2011 CR, to support environmentally sound development of renewable energy sources on public lands and offshore. The request supports evaluation of the impacts of renewable energy development on wildlife and habitat and effective coordination with affected States and Tribes to assess energy resources and evaluate project proposals.

**Bureau of Land Management** - The BLM manages 20.6 million acres of public lands with wind potential. To date, BLM has authorized a total of 192 rights-of-way for the use of public lands for wind energy development. Of these, 29 authorizations have a total approved capacity of 327 megawatts. The BLM has the delegated authority for leasing 249 million acres of public lands, including just over 100 million acres of national forest lands, with geothermal potential. The BLM presently manages 818 geothermal leases and there are 35 geothermal power plants that use Federal resources in California, Nevada, and Utah with a total net capacity of 1,300 megawatts, enough to supply the power needs of 1.3 million homes. This amounts to about 50 percent of U.S. geothermal energy capacity.

Solar radiation levels in the Southwest are some of the best in the world, and BLM manages 23 million acres of available public lands with solar po-



tential in six States: Arizona, California, Colorado, Nevada, New Mexico, and Utah. The BLM has received a large number of utility-scale solar energy right-of-way applications, mainly in California, Nevada, and Arizona. The BLM is completing a joint Programmatic Environmental Impact Statement for

solar energy development with the Department of Energy. The impact statement will evaluate a number of alternatives to determine which presents the best management approach for the agencies to adopt in terms of mitigating potential impacts and facilitating solar energy development while carrying out their respective missions.

The 2012 budget request for renewable energy activities at BLM includes an increase of \$3.0 million over the 2010 Enacted / 2011 CR level to prepare regional planning and environmental reviews of potential wind energy zones in Nevada and Oregon. These studies will be completed in addition to those currently under development in California, New Mexico, and Wyoming. These analyses will help BLM propose future renewable energy zones and avoid areas with potential conflict. They may also lead to identification of additional priority renewable energy development projects when new renewable energy zones are designated.

**Bureau of Ocean Energy Management, Regulation and Enforcement –** The Energy Policy Act of 2005 gives BOEMRE the mandate to grant leases, easements, or rights-of-way for activities on the OCS that produce or support production, transportation, or transmission of energy from renewable sources. In 2010, the Secretary signed the first lease for commercial wind energy development on the OCS.

**New Energy Frontier Initiative –** In 2012, BOEMRE anticipates a substantial increase in leasing activity on the OSC for the commercial generation of renewable energy. In 2010, Secretary Salazar signed the first lease for commercial wind energy development on the OSC – the Cape Wind project – in Nantucket Sound, off the coast of Massachusetts. On November 23, 2010, Secretary Salazar announced the Smart from



the Start initiative to facilitate the siting, leasing, and construction of wind projects off the Atlantic Coast. On February 7, 2011, he identified the initial Wind Energy Areas under this initiative offshore Delaware, Maryland, New Jersey and Virginia, with additional WEAs offshore in other States to follow later in 2011. The Secretary's goal is to issue commercial leases early in 2012.

*The Cape Wind lease is a historic milestone in America's renewable energy future, but to fully harness the economic and energy benefits of our Nation's vast Atlantic wind potential we need to implement a smart permitting process that is efficient, thorough, and unburdened by needless red tape.*

*Secretary Ken Salazar  
November 23, 2010*

In 2012, BOEMRE anticipates a substantial increase in leasing activity on OCS sites for the commercial generation of renewable energy. The 2012 budget includes an increase of \$1.9 million over the 2010 Enacted / 2011 CR level for renewable energy activities. The budget funds region-specific planning needs in energy frontier areas to consult and collaborate with stakeholders to develop expansive region-specific environmental analyses. The BOEMRE will expedite permitting along the Atlantic coast in cooperation



with the Atlantic Offshore Wind Energy Consortium and in the Pacific region based on the expressed interest of the States and renewable energy developers.

**U.S. Geological Survey** – The USGS fulfills a key role in determining the availability of resources and the effects of renewable energy development. The USGS conducts targeted research to provide the basis for science-based policies and decisions. In collaboration with BLM and BOEMRE, USGS provided critical scientific information regarding domestic development of renewable and conventional energy sources. The USGS cooperated with BOEMRE to assemble and characterize the available scientific information concerning the OCS, thereby enabling the Department to simultaneously evaluate available energy and natural resources. The 2012 budget request includes an increase of \$3.0 million over the 2010 Enacted/2011 CR level for USGS to analyze and document the effects of renewable energy development on wildlife populations. The USGS will focus efforts on areas with the greatest wind resource potential, including the Great Plains and offshore locations.

**Fish and Wildlife Service** – The 2012 request includes an increase of \$4.0 million over the 2010 Enacted/2011 CR level to expand the ability of FWS to fulfill endangered species consultation requirements for renewable energy projects. This includes \$2.0 million for the Endangered Species Consultation program to conduct environmental reviews to facilitate development of renewable energy projects; and \$2.0 million for the Conservation Planning Assistance program to enable FWS to cooperate with Federal, State and local governments, and the renewable energy industry to ensure priority landscape-level planning efforts include consideration of the impacts on wildlife and habitat. Proactive consultation and cooperation will limit lengthy delays as project plan-



## INDIAN EDUCATION RENEWABLE ENERGY CHALLENGE

The Indian Education Renewable Energy Challenge competition is for students attending Bureau of Indian Education high schools and tribal colleges to promote careers in the fields of green and renewable energy. This contest is sponsored by BIE in partnership with the Office of Indian Energy and Economic Development and the Department of Energy's Argonne National Laboratory.

During 2010, the first year of the competition, college and high school teams competed to design and build the most efficient portable wind turbine system. In Phase I of the competition, student teams were asked to submit designs for a portable wind turbine installation that generated energy, stored it mechanically or electronically, and then used the stored energy to power an array of light emitting diodes. The best ten designs were selected and each design team received \$1,300 to construct a prototype for Phase II. A panel of judges chose the winners based on final constructed models and submitted videos. At the college level, the first place award was shared by the Southwestern Indian Polytechnic Institute and the College of Menominee Nation. At the high school level, the first place winner was the Oneida Nation High School.

The second year of the competition will take place in 2011 and will challenge students to establish process designs for converting biomass to diesel fuel using any raw biomass material they wish. The teams that make it to Phase II of the competition will each receive \$3,500 to construct a prototype of their inventions that will be evaluated by the judging panel to determine a final winner.

ning nears completion and limit legal challenges that would hinder the development of clean renewable energy sources.

**Bureau of Indian Affairs** – The BIA can play a significant role in achieving the Administration's

goal to dramatically increase U.S. renewable energy production by helping to facilitate development of more than 50 ongoing projects on tribal lands that include solar, wind, biomass, geothermal, and hydropower projects. These projects have been well received in Indian Country as Tribes seek ways to develop their communities using sustainable practices that include the use of renewable energy and achievement of energy efficiencies. Renewable energy is being met with great enthusiasm from Tribes, and the Bureau of Indian Education schools have incorporated information promoting careers in the field of green energy into the curriculum.

The budget includes an increase of \$2.0 million over the 2010 Enacted/2011 CR level to provide grants directly to Tribes to evaluate and develop renewable energy resources on tribal trust land. This funding will support 12 tribal technical assistance projects to develop renewable energy resources, creating business opportunities and jobs while increasing renewable energy supplies for local and national use. Revenue from renewable energy generation will improve tribal government management and advance self-governance and self-determination.

## AN AGENDA FOR REFORM

*Our mission is as urgent and necessary as ever as we work to make the United States the gold standard for oil and gas reforms and work to ensure that we never again experience another Deepwater Horizon.*

*Secretary Ken Salazar  
January 19, 2011*

The April 2010 Deepwater Horizon explosion and oil spill began the process for a major restructuring of the Outer Continental Shelf energy management program. The incident revealed shortcomings in offshore drilling safety practices and Federal oversight of development; a lack of preparedness in containment of deepwater blowouts in a timely manner; and reliance on outdated oil spill response equipment and procedures. Since the disaster, Interior has been taking action to respond to the immediate disaster as well as address identified shortcomings in its regulatory apparatus through wide-ranging program reforms.

- Interior responded to the disaster with extensive resources to oversee efforts to contain the spill, gauge the extent of the spill and flow rates, lend technical and scientific expertise to technological issues, conduct immediate inspections of oil and gas facilities in the Gulf, and protect lands and resources from impacts of oil and assess potential impacts.
- The Secretary launched a restructuring of the former Minerals Management Service, now renamed the Bureau of Ocean Energy Management, Regulation and Enforcement, that led to the separation of the revenue management aspects and creation of the Office of Natural Resources Revenue reporting to the Assistant Secretary – Policy, Management and Budget. The remaining portion of BOEMRE will be split into two new bureaus – the Bureau of Ocean Energy Management and Bureau of Safety and Environmental Enforcement – after completion of a careful transition in 2011. These changes will ultimately result in greater independence for the safety and enforcement function of the agency.
- The Department submitted a 30-day safety report to the President, which recommended safety and technological improvements, some of which are implemented and many are underway; established a new OCS Safety Oversight Board, which issued a report shortly thereafter that laid the groundwork for numerous improvements in permitting, inspection, enforcement and environmental stewardship; and created an Investigations and Review Unit within BOEMRE to expedite oversight, enforcement, and immediate response.
- Interior issued extensive new rig and drilling safety, operations and incident preparedness and response requirements and has worked in conjunction with operators to ensure compliance with the new requirements.

The President's National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling released their report in January 2011 on the factors that contributed to the tragedy. The report concludes the spill was the result of systemic prob-

lems that spanned more than three decades and involved management problems within the oil and gas industry as a whole as well as regulatory shortcoming by the Federal government. Moreover, the report underscores the need for deep structural and cultural reforms within the industry and to the regulations governing offshore drilling. The Commission's recommendations validate and are largely consistent with the reforms the Department of the Interior is undertaking to promote safety and science in offshore oil and gas operations and are in line with Interior's plans for future reforms.

The strategy for the Department's offshore energy program for 2012 reflects the results of major reforms, reorganization, and an infusion of resources. The 2012 budget request includes \$358.4 million for BOEMRE and \$147.9 million for revenue management functions in the Office of Natural Resources Revenue. Total funding for the two components is \$506.3 million, an increase of \$159.9 million over the 2011 CR level.

**Reform** – Interior has taken the following specific actions to reform offshore development practices:

- Issued strong new safety rules operators must now meet before they drill. The rules set higher standards for everything from equipment and well design to casing and cementing. As part of this effort, Interior now requires blowout preventers be certified, inspected by third-parties, and meet strict new testing requirements.
- Issued a new rule requiring companies to establish comprehensive risk management programs for their operations. This performance-based approach will improve workplace safety and reduce the risk of accidents.
- Issued new guidance to industry that should result in the permanent plugging and abandonment of nearly 3,500 non-producing wells and the dismantling of 650 oil and gas production platforms if they are no longer in use.
- Conducted eight public forums on safety, containment, and spill response.
- Closed a loophole, which exempted certain operators from providing a worst-case discharge scenario in exploration plans. Operators now need to



demonstrate they are prepared to deal with catastrophic blowouts.

- Limited the use of categorical exclusions so that proposed lease sales and drilling projects must undergo thorough environmental reviews in accordance with the National Environmental Policy Act.
- Strengthened accountability for energy companies by requiring, for the first time, that they must put their signature on the line to state their rigs comply with Interior's safety and environmental laws and regulations.

**Reorganization** – On May 19, 2010, Secretary Salazar announced the reorganization of the former Minerals Management Service. This reorganization includes a complete restructuring to eliminate inherent conflicts among the three missions of the old organization – promoting resource development, enforcing safety regulations, and managing revenues from offshore operations.

On May 19, 2010, Secretary Salazar signed a Secretarial Order establishing the Bureau of Ocean Energy Management, Regulation and Enforcement as an interim organization. The Secretary recruited Michael Bromwich, the former Inspector General for the Department of Justice, to lead a deliberative process to create three independent bureaus: the Bureau of Ocean Energy Management, which will manage leasing and environmental activities; the Bureau of Safety and Environmental Enforcement, which will enforce safety and environmental regulations, and the Office of Natural Resources Revenue, which will manage the collection and disbursement of the Nation's mineral resources. The first phase of the reorganization, to transfer responsibility for revenue management to the Assistant Secretary – Policy, Management and Budget

**FUNDING CROSSWALK  
MMS TO BOEMRE AND ONRR**  
(dollars in millions)

	2010 Enacted	2011 CR Adjs	2011 CR	2012 Budget	2012 +/- 2010	2012 +/- 2011
<b>OCEAN ENERGY MANAGEMENT (formerly ROMM)</b>						
<b>BOEMRE</b>						
Direct Appropriations .....	110.6	+11.9	122.5	118.3	+7.7	-4.2
Offsetting Collections .....	112.1	-1.7	110.4	160.2	+48.1	+49.8
Inspection Fee Receipts .....	10.0	0	10.0	65.0	+55.0	+55.0
<b>Subtotal, BOEMRE (w/o rescission).....</b>	<b>232.7</b>	<b>+10.2</b>	<b>242.9</b>	<b>343.4</b>	<b>+110.7</b>	<b>+100.5</b>
OCS Connect Rescission.....	0	-25.0	-25.0	0	0	+25.0
<b>Subtotal, BOEMRE (w/ rescission) .....</b>	<b>232.7</b>	<b>-14.8</b>	<b>217.9</b>	<b>343.4</b>	<b>+110.7</b>	<b>+125.5</b>
<b>OFFICE OF NATURAL RESOURCE REVENUE</b>						
Direct Appropriations .....	64.6	+13.0	77.6	0	-64.6	-77.6
Offsetting Collections .....	44.6	-0.1	44.5	0	-44.6	-44.5
<b>Subtotal, ONRR.....</b>	<b>109.2</b>	<b>+12.9</b>	<b>122.1</b>	<b>0</b>	<b>-109.2</b>	<b>-122.1</b>
<b>TOTAL, OCEAN ENERGY MANAGEMENT.....</b>	<b>341.9</b>	<b>-1.9</b>	<b>340.0</b>	<b>343.4</b>	<b>+1.5</b>	<b>+3.4</b>
<b>OIL SPILL RESEARCH .....</b>	<b>6.3</b>	<b>0</b>	<b>6.3</b>	<b>14.9</b>	<b>+8.6</b>	<b>+8.6</b>
<b>TOTAL, BOEMRE/ONRR .....</b>	<b>348.3</b>	<b>-1.9</b>	<b>346.3</b>	<b>358.4</b>	<b>+10.1</b>	<b>+12.0</b>
<b>OFFICE OF THE SECRETARY - ONRR</b>						
Direct Appropriations .....	0	0	0	147.9	+147.9	+147.9
Offsetting Collections .....	0	0	0	0	0	0
<b>Subtotal, OS/ONRR.....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>147.9</b>	<b>+147.9</b>	<b>+147.9</b>
<b>TOTAL (comparison to former MMS).....</b>	<b>348.3</b>	<b>-1.9</b>	<b>346.3</b>	<b>506.3</b>	<b>+158.1</b>	<b>+159.9</b>

became effective on October 1, 2010. By October 1, 2011, the Department will have the reorganization fully implemented, separating the former Minerals Management Service into three entities with separate and distinct missions.

This reorganization will fundamentally change the Department's management and regulation of offshore energy development. The Bureau of Ocean Energy Management will concentrate on the development of offshore resources in an economically and environmentally responsible manner, emphasizing resource science and management. Its functions will include leasing, plan administration, environmental studies, National Environmental Policy Act analysis, resource evaluation, economic analysis and the Renewable Energy program.

Independently, the Bureau of Safety and Environmental Enforcement will focus on enforcement of

safety and environmental regulations, including requirements for operational safety aboard offshore drilling and production rigs, adherence to environmental regulations, and compliance with conservation requirements. Its functions will include all field operations including permitting and research, inspections, offshore regulatory programs, oil spill response, and newly formed training and environmental compliance functions. While the new bureaus will function independently, they will maintain close coordination to support timely yet responsible development of offshore energy resources.

In January 2011, the Secretary announced that separate and apart from the two independent bureaus, the Department will establish an Offshore Energy Safety Advisory Committee to be headed by former Sandia National Laboratory Director Dr. Tom Hunter. Dr. Hunter was a critical member of the scientific team deployed to assist with the contain-

## DEEPWATER HORIZON INCIDENT INTERIOR'S IMMEDIATE RESPONSE AND CLEANUP

In its capacity as steward for Federal lands, endangered species, and other trust resources and interests, the Department of the Interior was intensely involved in responding to the Deepwater Horizon oil spill from the outset. As soon as oil began to flow unabated from the well, Interior dispatched its top leadership to the Gulf to assist with coordination at area incident command centers and response efforts on the ground. The Fish and Wildlife Service mobilized to identify high-priority areas to deploy absorbent barriers also known as booming operations, along potentially affected Gulf Coast States, and the Bureau of Ocean Energy Management, Regulation and Enforcement began the process to approve plans for the proposed relief wells.

In the following days and weeks, the Department's bureaus and offices worked hand in hand with Federal and industry partners to coordinate the response, provide on-site support, and assist cleanup efforts. During the height of the response effort, more than 1,000 Interior Department employees, including assistant secretaries and bureau directors, were deployed to or stationed in the Gulf to manage on-the-ground response efforts to defend the coast and protect the environment. Interior's bureaus worked in unison to protect sensitive resources, and distribute accurate information for visitors regarding safe recreation, recovery of wildlife, and safety of all personnel and visitors.



On September 19, 2010, the Macondo well was declared effectively "dead" after nearly five months and five million barrels of oil flowed into the Gulf of Mexico. Although most of the immediate crisis response work has ceased, the impacts of the spill continue to be felt in the Gulf Coast region and the response continues.

Approximately 1,000 miles of shoreline were impacted, affecting approximately 275 miles of Department of the Interior lands. As of January 1, 2011, field reports indicate 8,183 birds have been collected or rescued so far. Of those, 2,079 visibly oiled birds have been captured alive and 1,246 have been released back into the wild. Preliminary data also indicate 1,144 sea turtles were captured. Of those, 535 were alive, all but 79 were visibly oiled, and 609 were collected dead. So far, 397 have been released. The FWS and its partners have already begun survey work along the coast, and they will continue to monitor to determine what the full impact will be to migratory birds, turtles, and other wildlife.



Interior is working with the Department of Commerce through the National Oceanic and Atmospheric Administration, the States of Alabama, Florida, Louisiana, Mississippi, and Texas, and the Department of Defense to develop a comprehensive natural resources damage assessment and restoration plan, identifying the injury to natural resources from the spill and developing a restoration plan that restores the region's natural resources to their pre-spill condition. Determining the extent and magnitude of injury requires a rigorous scientific process that can take several years to complete. The Department is committed to full restoration of natural resources in the affected areas of the Gulf.

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ment and capping of the Macondo well. The Safety Committee will advise Director Michael Bromwich and the Secretary on a variety of issues related to offshore energy safety, including drilling and workplace safety, well intervention and containment, and oil spill response. The Safety Committee will also facilitate collaborative research and development, training, and execution in these and other areas relating to offshore energy safety.

As a component of the reorganization, the Department is transferring the Coastal Impact Assistance Program from BOEMRE to FWS, which will be responsible for issuing restoration grants and executing oversight responsibilities. This transfer will be finalized October 1, 2011, but transition planning activities are already taking place.

**Resources** – In September 2010, the Administration submitted an amendment to its 2011 budget request to provide \$100.0 million in additional funding to support the reorganization and reform efforts outlined above. In recognition of the constrained fiscal environment and economic uncertainty, the funding request was fully offset by reductions in other programs and an increase to inspection fees paid by the industry. The President's National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling report recommended the use of industry fees to "provide adequate leasing capabilities and regulatory oversight for the increasingly complex energy-related activities being undertaken on the OCS". The 2012 budget request continues pursuit of increased effectiveness and ability to provide oversight to ensure the safe and environmentally responsible development of offshore energy.

In 2012, the Department is committed to executing the reorganization and reform efforts, advancing the restoration of the Gulf of Mexico, and setting a course for the future safe and responsible development of OCS energy resources. In total, the 2012 budget request includes \$506.3 million in direct appropriations, offsetting collections, and fees for BOEMRE and ONRR.

This funding will further the production of renewable energy, assure sound development of conventional resources, continue to apply the best scientific information available to the development of the Nation's offshore energy resources, and improve the management of mineral revenues.

## CONVENTIONAL ENERGY DEVELOPMENT

The Department's efforts to advance the Nation's transition to new, clean sources of energy are not a singular solution to meet the energy demands of the Nation. Interior supports the development of conventional energy resources including onshore and offshore oil and gas, and other fossil resources where those resources can be developed responsibly.

- In 2010, BLM held 29 oil and gas lease sales and in 2011 will hold 36 sales on public lands. These and future sales are benefitting from reforms, which require adequate planning and analysis to identify potential areas with minimal environmental impacts and to avoid time consuming and costly litigation. An August 2010 lease sale offered 190 tracts of land of approximately 1.8 million acres in the National Petroleum Reserve-Alaska, closest to existing infrastructure and avoiding impacts to migratory bird and caribou habitat and Teshekpuk Lake.
- In 2010, BLM received 4,251 new applications for permits to drill and processed 5,237 permits to drill.
- Interior has identified over 5,000 miles of transmission corridors on lands it manages to facilitate siting and permitting of transmission lines. More than 30 applications for major transmission corridor rights-of-way are being processed. In 2010, over 190 miles of rights-of-way were granted for new major electric transmission lines on public lands in Nevada and Idaho.
- In 2010, BLM completed the second round of oil shale Research, Development, and Demonstration applications and nominations, and three applications were selected for environmental analysis, which is currently underway.
- In 2010, the former Minerals Management Service offered 40 million acres in the Central Gulf of Mexico for lease, receiving nearly \$950 million in high bids for the 2.4 million acres bid.
- In March 2010, a comprehensive strategy for offshore oil and gas development



and exploration for 2012-2017 was announced, which removed the Pacific Coast, North Atlantic, and Bristol Bay, Alaska from drilling; certain Arctic oil and gas lease sales were canceled; and environmental analyses were expanded for Alaska's Arctic region. This strategy was modified in December 2010 to exclude from consideration for potential development the area in the Eastern Gulf of Mexico that is under congressional moratorium and the Mid and South Atlantic planning areas.

The 2012 budget request for conventional energy and minerals programs is \$611.4 million, an increase of \$154.9 million over 2010 Enacted and \$131.8 million over the 2011 CR, to support environmentally sound and safe development of conventional energy sources on public lands and the OCS.

Energy development onshore will incorporate reforms to improve environmental protection of important natural resources on public lands while aiding in the orderly leasing and balanced development of these resources. The reforms establish a more orderly, open, consistent, and environmentally sound process for developing oil and gas resources on public lands. These reforms will help reduce potential conflicts that can lead to costly and time-consuming protests and litigation of leases.

The 2012 budget request includes a proposal to establish a \$4.00 per acre per year fee on new non-producing oil and gas leases. This fee would provide a financial incentive for oil and gas companies to

either get leases into production or relinquish them so tracts can be leased and developed by new parties. This proposal would apply the fee to all new Federal oil and gas leases, both onshore and offshore, when they are in non-producing status.

The 2012 budget also assumes that Interior will administratively implement oil and gas royalty rate reforms, including adjustments to the standard onshore royalty rate, based on the results of pending studies. These reforms are intended to improve the return to taxpayers from Federal oil and gas production and are estimated to generate over \$900 million in additional revenue to the Treasury over ten years.

**Bureau of Land Management** – The 2012 budget request for the BLM oil and gas program is \$133.1 million, \$2.8 million below the 2010 Enacted / 2011 CR level. In discretionary appropriations, an increase of \$13.0 million is proposed to offset a projected decline in applications for permits to drill fee collections from \$45.5 million to \$32.5 million, and a reduction of \$3.0 million is proposed to reflect the completion of an energy study required by the Energy Policy and Conservation Act of 2000. In 2012, BLM will begin to charge a fee to recover inspection costs for the oil and gas program, providing an additional \$38.0 million in fees, offsetting the same amount of appropriated funds to cover Federal costs and ensure continued diligent oversight of oil and gas production on Federal lands. Fee levels would be based on the number of oil and gas wells per facility so costs are shared equitably across the industry.

The BLM's program will ensure responsible development of mineral resources on public lands, using



sound information to manage energy resources. In support of BLM energy programs, the 2012 request includes an increase of \$2.0 million in BLM's Soil, Water, and Air Management program to improve air quality monitoring capabilities. The BLM will use this funding to acquire additional ozone measuring instruments, contribute to a multi-agency air quality data warehouse, and expand its technical expertise. The BLM will target the additional monitoring instruments and activities to areas with current or anticipated intensive oil and gas development to help BLM ensure that the energy development complies with NEPA and Clean Air Act requirements and aid BLM in minimizing or addressing potential litigation issues.

Mandatory funding of approximately \$21.0 million continues to be available for the oil and gas program from the Permit Processing Improvement Fund in 2012. The budget proposes to repeal Section 365 of the Energy Policy Act of 2005 in 2013 and redirect the rental income to the U.S. Treasury.

**Bureau of Ocean Energy Management, Regulation and Enforcement** – The BOEMRE is responsible for managing the exploration and development of offshore mineral energy resources on the Nation's OCS as well as the development of offshore renewable energy resources. The BOEMRE ensures the Federal government is realizing fair-market value for offshore oil and gas leases and that companies are in compliance with all applicable laws, regulations, and lease terms.

The 2012 budget request for BOEMRE's conventional energy program includes \$324.8 million in discretionary funds, an increase of \$107.3 million over the

2010 Enacted / 2011 CR level. The budget reflects the shift of budget authority for the Office of Natural Resources Revenue to the Office of the Secretary. Although ONRR organizationally transferred to the Assistant Secretary – Policy, Management and Budget on October 1, 2010, the funding under the appropriations account structure for ONRR will not transfer until 2012.

The 2012 budget request supports the effective reorganization of BOEMRE. This request will support the development of the five-year oil and gas leasing program for 2012 - 2017. The budget includes \$6.5 million for environmental studies that will provide critical data including physical oceanography, deep sea ecology, social science, and the assessment of coral and chemosynthetic communities for consideration in development of the next five-year leasing program and individual lease sales under the current leasing program. An increase of \$9.4 million will support marine spatial planning, lease bid evaluation, and environmental reviews.

The request funds improved enforcement of operational safety standards aboard offshore drilling and production rigs, adherence to environmental regulations, and compliance with conservation requirements to protect the Nation's natural resources. Critical functions will include all field operations including permitting and research, inspections, offshore regulatory programs, oil spill response, and new training and environmental compliance activities. The request includes an increase of \$71.8 million for the implementation of a risk-based inspection program that will include planned and unannounced inspections and will be offset by increases in the inspection fee currently charged to industry.

The budget proposes to increase the inspection fee from the 2010 level of \$10.0 million to \$65.0 million. The President's National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling report recommended the use of industry fees to "provide adequate leasing capabilities and regulatory oversight for the increasingly complex energy-related activities being undertaken on the OCS". It also argued that the oil and gas industry "should do significantly more and provide the funds necessary for regulation [which] would no longer be funded by taxpayers, but instead by the industry that is being permitted to have access to a publicly owned resource." Funding will be used to hire new inspectors, improve the tools and systems necessary to implement the risk-based inspection program, and expand offshore transportation resources.

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**Office of Natural Resources Revenue** - The ONRR seeks to ensure the full and fair return to the American people of royalties and other monies owed relating to production of energy and mineral resources both onshore and on the OCS. This includes ensuring that revenue due to the public is received, accounted for, and appropriately distributed. The means of collecting royalties, rents, and other revenues must be transparent and robust.

The ONRR is responsible for collecting, distributing, accounting, and auditing revenues from energy leases on the OCS and Federal and Indian lands. The request for ONRR in 2012 includes \$147.9 million, an increase of \$25.8 million over the 2010 Enacted / 2011 CR level. The request supports the transition of royalty-in-kind activities to royalty-in-value. The RIK program allowed the Minerals Management Service to choose to take royalty payments using oil and gas, which was then sold on the open market. The requested increase in discretionary funding will replace the use of receipts from RIK sales that were used for the administration of the program. Oil and gas producers will pay royalties in cash in the future, which ONRR will transfer to the Treasury. For 2012, the Administration proposes to expand on

these RIK reforms by repealing all existing authorities for Interior to accept royalty collections in-kind, rather than in cash payments.

The request also supports the reorganization and incorporation of ONRR into the Office of the Secretary. The increase will strengthen compliance activities by increasing audit, enforcement, data mining, and oversight staff, and expand the State and tribal audit program.

**Bureau of Indian Affairs** – Indian Affairs works closely with Tribes to assist them with the exploration and development of 1.8 million acres with active and potential energy resources. The 2012 budget is \$2.5 million, an increase of \$1.5 million over the 2010 Enacted / 2011 CR level for conventional energy leasing activities on the Fort Berthold Reservation, which sits atop the Bakken Basin, one of the most prolific oil and gas producing areas in the United States. The BIA will also cooperate with BLM, BOEMRE, and the Office of the Special Trustee for American Indians to create a virtual one-stop shop to increase coordination and expedite conventional energy development on the Fort Berthold Reservation in North Dakota.





# Cooperative Landscape Conservation

*Through our Climate Science Centers and Landscape Conservation Cooperatives, Interior is partnering with others to leverage information and develop the tools and strategies needed to help make future land management decisions in the face of a changing American landscape.*

*Ken Salazar, Secretary of the Interior  
January 25, 2011*

The American landscape is changing – impacting lives and livelihoods in communities across the Nation. Some communities face increasing problems with water availability and drought, impacting farming and other uses, while other urban and rural areas are beset by catastrophic flooding. Diseased and infested forests are one of the factors causing fires to be more severe than normal. The fire season is getting longer, increasing the threat to nearby communities, while those who live along the Nation's coastlines confront accelerated erosion and increasing risks to structures and infrastructure. Those making their living from agriculture and others who depend on the land, increasingly face challenges from new pests and unwanted yet virulent invasive species that have never been a problem before. A key factor contributing to these problems is climate change.

These same challenges also face Interior's land and wildlife managers who are stewards of America's

## PRIORITY GOAL

Interior is working to integrate science, adaptation, and mitigation expertise and make this information and best management practices available to public and private land managers across the United States.

The Department's Priority Goal for this effort is:

**By the end of 2012, for 50 percent of the Nation, the Department will identify resources that are particularly vulnerable to climate change, and implement coordinated adaptation response actions.**

Interior's strategy for accomplishing the goal is outlined in this chapter.



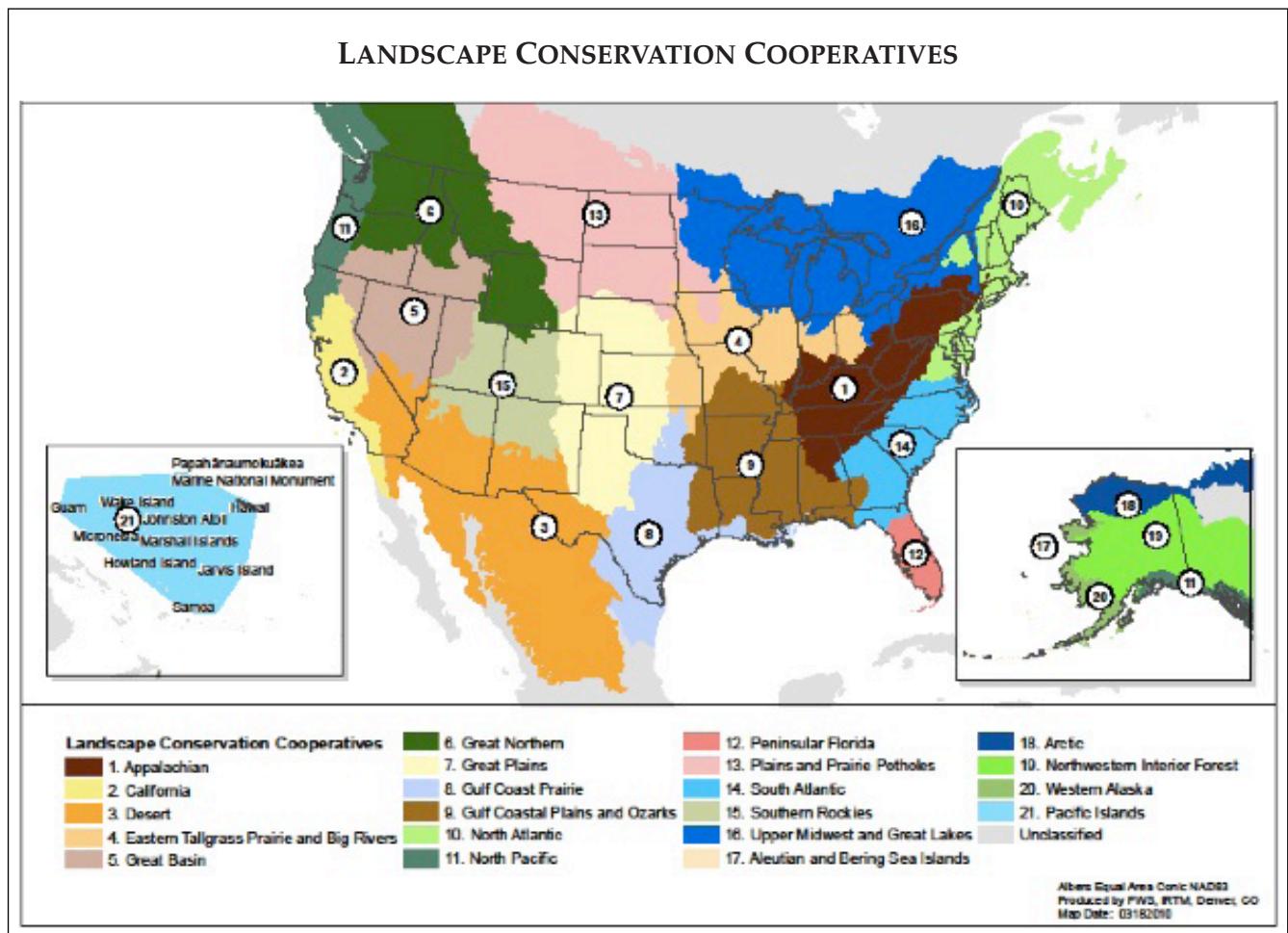
natural and cultural resources. Interior manages 20 percent of the Nation's lands, about 500 million acres within its 394 national park units, 553 wildlife refuges, 71 fish hatcheries, and 248 million acres of public land that include 21 national conservation areas and 16 national monuments. The Department is also the largest supplier and manager of water in the 17 western States, delivering irrigation to 31 million people, one out of every five western farmers, and ten million acres of farmland.

The Department is making significant progress in developing science capability, conservation cooperatives, and other tools that are being used to manage lands and resources in the face of these challenges. These efforts are assisting Federal, State, tribal, and local decision makers in their efforts to understand, adaptively manage, and reduce adverse impacts from ongoing land and resource management challenges. Interior is maximizing the effectiveness of these efforts by leveraging information, activities, and fiscal resources with other Federal agencies, States, Tribes, and non-governmental partners.

As stewards of America's natural resources, Interior has developed a strategy to keep pace with the changing landscape. The strategy has three important elements – strengthening scientific capabilities and knowledge base, developing connections between natural resource professionals and scientists to develop strategies to meet on-the-ground challenges, and implementing these strategies through ongoing resource management programs.

To implement this strategy, Interior will complete a network of Landscape Conservation Cooperatives, where natural resource professionals work collaboratively with others to understand and manage changes in specific ecosystems and landscapes. This network is linking existing programs and leveraging them at the Federal, State and local level through real and virtual connections to facilitate sharing of knowledge and solutions among professionals. The network is supported by science centers that translate global scientific understanding of change into solutions at the landscape level.

Science provides the framework for this strategy and plays a large role in addressing challenges to conservation of the Nation's lands and resources, including climate change. Through Climate Science Centers and Landscape Conservation Cooperatives, Interior is working to translate cutting edge science into hands-on solutions that land and resource managers need to be effective stewards. A science based understanding of these issues and practical



applications have broad benefits for resource managers that are wrestling with the need to find practical and cost effective approaches to conservation in the face of economic challenges. The Interior Department has assessed and refocused its science programs to focus on those that are key to on-the-ground results, and terminated or reduced programs that do not contribute to these efforts.

Interior is working collaboratively across its bureaus, with other Federal agencies, State, and tribal governments, and non-governmental organizations to leverage fiscal resources and expertise and focus them on conservation of the Nation's different ecosystems. Interior's strategy recognizes that America's ecosystems face highly variable challenges that cannot be solved by working species by species or within traditional jurisdictional land boundaries. Instead, these challenges must be identified and addressed by assessing the entire landscape, using landscape-scale data and partnerships to develop workable solutions.

## 2012 BUDGET SUMMARY

The 2012 budget request provides \$175.0 million for activities that contribute to Interior's landscape management strategy, an increase of \$43.8 million over the 2010 Enacted / 2011 CR level. The Department's approach will ensure that management decisions are grounded in science and coordinated with land and resource managers in other Federal

agencies, States and tribal governments, and private organizations. Key to this strategy is leveraging all available scientific information about resource health and trends, including traditional knowledge from American Indians and Alaska Natives, and developing approaches that maximize benefit and minimize cost.

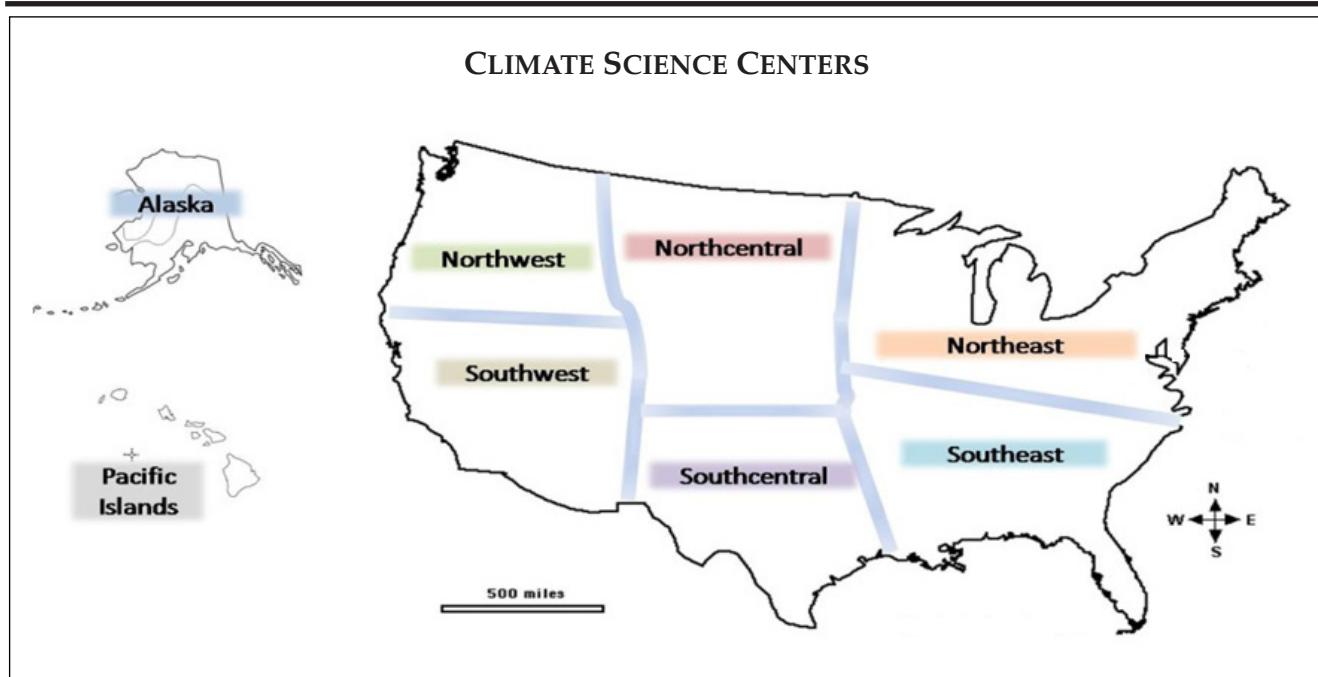
The budget continues investments in climate variability science at the Climate Science Centers and the biologic and geologic carbon sequestration projects underway at the U.S. Geological Survey, as well as in adaptive management with the completion of Landscape Conservation Cooperatives and the support of other adaptive management activities across the Department.

## CLIMATE VARIABILITY SCIENCE

The 2012 budget includes continued investments in climate variability research at USGS, with targeted increases for the Climate Science Centers and the USGS biological carbon sequestration project. In total, the budget includes \$72.9 million for Climate Variability Science, an increase of \$9.7 million over the 2010 Enacted / 2011 CR level.

**Climate Science Centers** – The 2012 budget includes \$31.0 million for the Climate Science Centers, an increase of \$12.8 million over the 2010 Enacted / 2011 CR level. These centers provide scientific information, tools, and techniques that land, water, wildlife, and

COOPERATIVE LANDSCAPE CONSERVATION (dollars in millions)			
	2010 Enacted/ 2011 CR	2012	Change
<b>CLIMATE VARIABILITY SCIENCE</b>			
USGS .....	63.2	72.9	+9.7
<b>ADAPTIVE MANAGEMENT</b>			
BLM .....	15.0	17.5	+2.5
Reclamation .....	3.0	7.0	+4.0
FWS .....	40.0	67.5	+27.5
NPS .....	10.0	9.9	-0.1
BIA .....	0.0	0.2	+0.2
<b>Subtotal .....</b>	<b>68.0</b>	<b>102.1</b>	<b>+34.1</b>
<b>TOTAL .....</b>	<b>131.2</b>	<b>175.0</b>	<b>+43.8</b>



cultural managers can apply to anticipate, monitor, and adapt to climate and ecologically driven changes at regional to local scales. Scientists located at these centers will collaborate with stakeholders to prioritize research projects through a formal Stakeholder Advisory Committee and then synthesize data from existing and new sources. The centers develop monitoring protocols and models to better

understand the extent and impacts of climate change and then work with the Landscape Conservation Cooperatives network to develop products that can be easily translated into solutions. The 2012 budget completes the nationwide network of eight Climate Science Centers serving the Alaska, Pacific Islands, Northwest, Southwest, North Central, South Central, Northeast, and Southeast regions.

CLIMATE SCIENCE CENTERS		
<b>2010</b> <b>ALASKA</b> University of Alaska - Fairbanks	<b>2011</b> <b>NORTH CENTRAL</b> Consortium of Colorado State University Colorado School of Mines Iowa State Kansas State University Montana State University University of Colorado University of Montana University of Nebraska - Lincoln University of Wyoming	<b>2012</b> <b>NORTHEAST</b> To be announced
<b>NORTHWEST</b> Consortium of Oregon State University University of Idaho University of Washington	<b>SOUTHWEST</b> Consortium of University of Arizona University of California - Davis , University of California - Los Angeles University of Colorado Desert Research Institute (Nevada) Scripps Institute	<b>SOUTH CENTRAL</b> To be announced
<b>SOUTHEAST</b> North Carolina State University		<b>PACIFIC ISLANDS</b> To be announced

## EVIDENCE OF A CHANGING CLIMATE

Increasing evidence links the changes seen on the Nation's landscape with climate variability. Scientists began recording global temperatures in the 1880s and found a steady rise in temperatures, particularly since the 1950s. Further investigations have linked the changing climate to real impacts such as melting glaciers, heat waves, rising sea level, flowers blooming earlier, lakes freezing later, and changes in migration patterns of wildlife.



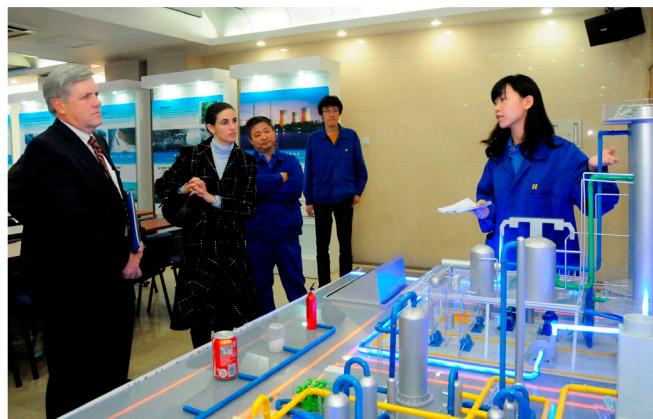
The changing climate is thought to be a significant cause for the size and frequency of wildfires, insect outbreaks, disease outbreaks, and tree mortality in the interior West, the Southwest, and Alaska. Evidence is growing that the changing climate is negatively impacting cold- and cool-water fish populations across the Country. Along the coasts, rising sea levels and increased erosion have begun to affect fish and wildlife habitats, including those used by shorebirds and sea turtles that nest along the shore. In oceans, subtropical and tropical corals in shallow waters have been bleached by increased sea surface temperatures.

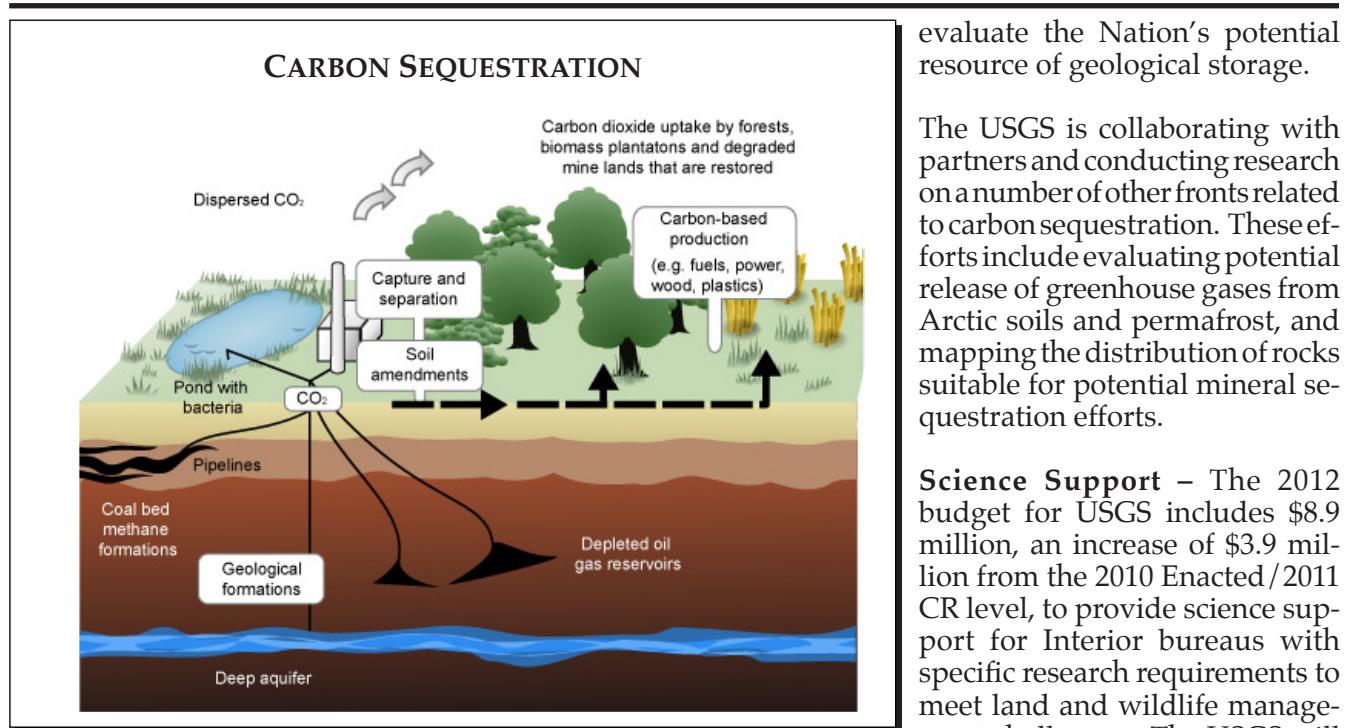
In 2010, centers were established in three of these regions: Alaska, the Northwest, and the Southeast. In 2011, the Department announced the locations for centers in the Southwest and North Central regions. The 2012 budget will allow USGS to establish centers in three remaining regions, the Northeast, South Central, and Pacific Islands. The first five centers are located at universities and, with the exception of Alaska, those institutions were selected through a

competitive process that requires potential hosts to demonstrate strong scientific capabilities in the area of climate change and established links with natural resource management agencies and organizations. Centers may be hosted by consortia of universities and other partners, as is the case for the Northwest, North Central, and Southwest centers, leveraging the capabilities of multiple institutions.

As a result of collaborative research on climate change impacts, USGS issued a number of reports in 2010 highlighting the potential consequences of human activity and global warming to the Nation's wildlife and ecosystems. One study found that dust caused by human activities in the American southwest desert is a contributing factor in speeding up the melting of snow and reducing runoff in the mountains of the Colorado River Basin. The findings have major implications for the 27 million people in seven U.S. States and Mexico who rely on the Colorado River for consumption and domestic use, agriculture, and industrial water; and can be used by resource managers to identify strategies to lessen these impacts, such as restoring desert soils. This is just one example of the type of work that Climate Science Centers will provide to land and resource managers across all levels of government and the private sector.

**Carbon Sequestration** – The 2012 budget includes \$14.3 million to continue biologic and geologic carbon sequestration research and assessments in USGS, an increase of \$4.3 million from the 2010 Enacted/2011 CR level. The USGS was directed to undertake this research in the 2007 Energy Independence and Security Act, and since that time, the bureau has been working to develop and complete a national assessment of biological and geological storage capacity.





Biological carbon sequestration removes carbon dioxide, or CO<sub>2</sub>, from the atmosphere for storage in vegetation, soils, and sediments. Deliberate biological sequestration can be accomplished through forest and soil conservation practices including restoring and establishing forests, wetlands, and grasslands. There are challenges to long-term biological storage, but increased biological sequestration of carbon and its storage could play a key role in reducing the rate of greenhouse gas increases. Interior's extensive land and resource management experience provides a practical context for assessment of rates and capacity for carbon storage in ecosystems. Early scientific analysis completed by USGS is demonstrating the importance of biological sequestration as part of the carbon cycle. The USGS released a peer-reviewed and comprehensive assessment methodology with participation from the land and resource management community in December 2010, and has recently begun to conduct the assessment.

The USGS has also developed a methodology to assess the potential for carbon sequestration in geologic structures, such as oil and gas reservoirs and saline formations. This methodology is designed to assess the mass of carbon that can be stored in the U.S. sedimentary basins. Factors taken into consideration include the accessible pore volume of a storage formation and the location of impermeable rock layers that can trap and hold the carbon in place. The new geological sequestration assessment methodology is being used in a three-year effort to

evaluate the Nation's potential resource of geological storage.

The USGS is collaborating with partners and conducting research on a number of other fronts related to carbon sequestration. These efforts include evaluating potential release of greenhouse gases from Arctic soils and permafrost, and mapping the distribution of rocks suitable for potential mineral sequestration efforts.

**Science Support** – The 2012 budget for USGS includes \$8.9 million, an increase of \$3.9 million from the 2010 Enacted/2011 CR level, to provide science support for Interior bureaus with specific research requirements to meet land and wildlife management challenges. The USGS will guide this research to address the

practical applications that are needed by Interior's bureaus to solve problems including, for example, understanding invasive species expansions and disease outbreaks in wildlife.

**Climate Research and Development** – The increases in Climate Variability Science are offset by an \$9.1 million reduction to the Climate Effects Network. This network, led by USGS, is designed to coordinate and standardize climate monitoring data throughout the Department. Since its inception, the network has facilitated a number of data collection and modeling efforts in pilot projects around the Country. Rather than focus on expanding the network at this time, Interior will refocus its efforts from site-specific studies to an integrated approach among partners at the Climate Science Centers to evaluate what network systems are needed to share climate effects monitoring and adaptation data.

## ADAPTIVE MANAGEMENT

Interior's focus in the Cooperative Landscape Conservation initiative is to equip resource managers with strategies to protect the Nation's resources and maximize public benefit. In response to increasing and often unpredictable changes in the American landscape, the Department will leverage expertise by building partnerships with other agencies and organizations through the Landscape Conservation

Cooperatives. This approach enables each of Interior's land management bureaus to better meet individual missions, and in concert with States, Tribes and other partners, utilize each other's resources and expertise to better identify and address challenges across broad landscapes and impact resource management decisions in parks, refuges, and on public lands.

### Landscape Conservation Cooperatives

– The 2012 budget includes \$62.5 million, an increase of \$26.0 million from the 2010 Enacted / 2011 CR level. The increase will complete the national network of Landscape Conservation Cooperatives, which engage other Federal agencies, States, Tribes, and local partners, as well as the public in crafting practical, landscape-level strategies for managing resource stressors in coordination with the eight regional Climate Science Centers. The cooperatives focus on impacts such as wildlife migration patterns, wildfire risk, drought, coastal erosion, and invasive species. These are management challenges that typically extend beyond the borders of any single national wildlife refuge, public land unit, or national park. The Department supported the establishment of nine cooperatives in 2010 with an additional three planned for 2011. The 2012 budget will fund the remaining, bringing the network to a total of 21 cooperatives across the U.S., extending into Mexico and Canada.

Each Landscape Conservation Cooperative is directed by a diverse steering committee that prioritizes science needs and makes recommendations for the projects that will be implemented each year. Individual Interior bureaus have been designated as leads or co-leads of particular cooperatives, with FWS leading or co-leading the majority of the cooperatives and the Bureau of Reclamation, Bureau of Land Management, Bureau of Indian Affairs, and National Park Service taking leadership roles in a number of cooperatives around the Country.

With resident staff and through connections with partners, these cooperatives develop, test, implement, and monitor conservation strategies that are responsive to the dynamic landscape changes resulting from climate change and other stressors in the regions. The cooperatives facilitate broad availability of data, modeling, and tools to land managers that will allow them to effectively forecast habitat

### LANDSCAPE CONSERVATION COOPERATIVES

<u>2010</u>	<u>2011</u>	<u>2012</u>
Arctic	Southern Rockies	Aleutian/ Bering Sea Islands
California	Great Basin	Appalachian
Great Northern	Desert	Eastern Tallgrass Prairie and Big Rivers
Great Plains		Gulf Coast Prairie
Gulf Coastal Plains and Ozarks		North Pacific
North Atlantic		Northwestern Interior Forest
Pacific Islands		Peninsular Florida
Plains and Prairie Potholes		Upper Midwest and Great Lakes
South Atlantic		Western Alaska

and species changes and to implement conservation actions to address impacts. This same approach facilitates improved management of water resources, historical and cultural resources, and resources of Indian Tribes and Alaska Natives.

The Pacific Islands cooperative for example, which includes partners such as the University of Hawaii are collaborating on a project that downscals statistical climate data to forecast changes in the distributions of native plants in Hawaii. Researchers developed geographic information system models to produce range maps for over 1,000 native plants based on current environmental conditions and projected climate and weather variability. Managers at FWS and other agencies are using this information in designing adaptive strategies for native plants and associated forest birds, many of which are endangered. The cooperative is using this data to evaluate current reserve designs, movement corridors, and forecast seed dispersal in projected conditions. The Pacific Islands cooperative is illustrative of the diversity of groups connected through this development. The Steering Committee for this cooperative includes FWS, USGS, NPS, the Forest Service, National Oceanic and Atmospheric Administration, State of Hawaii, Kameahmeah Schools, Nature Conservancy, and others.

## THE STATE OF THE BIRDS: 2010 REPORT ON CLIMATE CHANGE

The FWS issued *The State of the Birds: 2010 Report on Climate Change* that shows that hundreds of species of birds are facing threats from climate change that along with other factors are resulting in habitat alteration, reducing food supplies, and pushing many species towards extinction. Research for this report was a collaboration of FWS with experts from the Nation's leading conservation organizations and shows that climate change will have an increasingly disruptive effect on bird species in all habitats, with oceanic and Hawaiian birds in greatest peril.

Continued sea-level rise is expected to inundate or fragment existing low-lying habitats such as salt marshes, barrier islands, and mudflats. Beach-nesting black and American oystercatchers and specialized saltmarsh sparrows are among the most vulnerable coastal birds because they rely heavily on limited, low-elevation coastal habitats. Based on projections of marsh habitat loss in the Chesapeake Bay, significant declines of many marsh species are predicted. Birds such as the rare black rail that relies solely on irregularly flooded high marsh could disappear from the Bay if breeding sites are submerged.



Seabirds breeding on coasts may also be unsuccessful in raising chicks if their hatch dates do not match patterns in the availability of food resources. For example, common murres that time their breeding based on temperature cues may fail to raise any young if their chicks hatch at the wrong time, missing the window when food is abundant.

In the northeast U.S., the North Atlantic cooperative is developing a decision support system that will assist managers to make decisions about conservation actions regarding fish. The project will produce tools such as maps of fish habitat and models for eastern brook trout that conservation managers will use to evaluate the effect of different management actions on fish in stream networks and river basins.

These maps and models will identify which conservation actions are going to be the most effective. Managers will use this system together with other modeling information to develop recommendations for comprehensive landscape-scale conservation of aquatic species.

Alaska is another region where the cooperative framework has allowed for increased interagency coordination and outreach to local communities to understand the scope of impacts currently affecting the region. In 2010, cooperative partners, including FWS, BLM, State agencies, and others are assisting the Alaska Native Health Consortium to gather wildlife disease data crucial to understanding the vulnerability of wildlife species and the rural and native communities which depend upon them.



**Bureau of Land Management** – The BLM 2012 budget request for the Cooperative Landscape Conservation initiative is \$17.5 million, an increase of \$2.5 million over the 2010 Enacted/2011 CR level. The requested funding will be used to conduct



assessments, create adaptive strategies, and initiate restoration projects. As a result of drought, altered fire regimes, invasive plant and animal species, and changes in land use associated with energy development and urban growth, BLM lands are experiencing a period of unprecedented environmental change. The BLM participates in cooperatives to gain a better understanding of stressors adversely impacting the health of BLM lands and to develop adaptation strategies, such as implementing broad-scale sage-grouse habitat monitoring to ascertain the effectiveness of habitat management actions as well as the effect of land use authorizations.

The BLM and the Department of Agriculture's Natural Resources Conservation Service, with cooperation from the Western Association of Fish and Wildlife Agencies are developing a landscape approach to monitoring conditions and trends of public and private lands. The project is coordinated with the cooperatives and will include intensified sampling in sage-grouse habitat priority focus areas for up to thirty populations of sage grouse in the West. The NRCS has been monitoring rangelands on private, State, and tribal lands for the past ten years and will now add public lands to those that are monitored. The project uses core indicators and standard monitoring methods and reports will provide a landscape view of the success of management actions taken to improve sage-grouse habitat.

The BLM will focus available funding on regional conservation, restoration, and adaptation priorities identified through Rapid Eco-regional Assessments, including the development of seamless vegetation maps that can be used to measure changes in vegetative communities brought about by land health stressors and to identify where adaptation strategies are needed. The BLM will collect and store native seeds of those plant species determined to be the most vulnerable to the impacts of land health stressors.

**Bureau of Reclamation**—Reclamation's 2012 budget request for the Cooperative Landscape Conservation initiative is \$7.0 million, an increase of \$4.0 million from the 2010 Enacted / 2011 CR level. Among other activities, Reclamation will assess environmental impacts and water shortages through its Basin Studies program and conduct research on water resources through its Science and Technology program.

Through the Basin Studies program, Reclamation will partner with stakeholders to evaluate basin-wide water supply and demand, and identify adaptation strategies to address water shortages; conduct West-wide climate risk assessments to collect baseline projections of risks and impacts to water supplies; and provide leadership for two Landscape Conservation Cooperatives in the Colorado River Basin to develop applied science tools to support adaptation strategies through local cooperative partnerships. In conducting the basin studies, Reclamation will partner with State, tribal, and local partners on a 50/50 cost share basis in 17 western States to analyze the impacts of climate change and other stressors on water resources in key basins and sub-basins, and identify strategies to address imbalances in supply and demand. Basin studies are currently ongoing in the following river basins: Colorado River Basin including all seven basin States; Yakima River Basin; Milk River Basin; Deschutes River Basin; Henry's Fork of the Snake River; Niobrara River Basin; Santa Ana Watershed; and Southeast California Regional Basin.



There are three components to the basin studies, which involve close collaboration with States, Indian Tribes, and local partners. One component is the projection of future water supply and demand by river basin. The basin studies incorporate

state-of-the-art projections of supply and demand, including projections of the impacts of climate change, which leverage work done through the cooperatives and the climate risk assessments in the WaterSMART Program. The WaterSMART program is further discussed in the Water Challenges chapter.

A second component is the analysis of impacts. Projections of supply and demand will be applied to the basin or sub-basin of interest, taking into account existing facilities, water rights, and key elements of the hydrologic system, to determine how changes in water supplies will impact basin water uses. In addition to any specific issues included by cost-share partners, Reclamation will evaluate the impacts to the Department's ability to deliver water to contractors; hydroelectric power generation facilities; recreation at Reclamation facilities; fish and wildlife habitat; applicable species listed as an endangered, threatened, or candidate species under the Endangered Species Act of 1973; water quality issues; flow and water dependent ecological resiliency; and flood control management. This component will incorporate and build on the information of operations risks developed within the climate risk assessments.

The third component is the identification of adaptation strategies. Once impacts are identified, Reclamation and non-Federal cost-share partners will engage basin stakeholders, through cooperatives for instance, in the process of developing adaptation and mitigation strategies, which may include: structural and non-structural changes; consideration of modifying reservoir storage or operating guidelines; the development of new water management, operating, or habitat restoration plans; water conservation; improved hydrologic models and other decision support systems; and groundwater and surface water storage needs.

Included within Reclamation's Science and Technology program is research on improving capability for managing water resources under multiple drivers, including climate change. This research agenda will be collaborated and leveraged with capabilities of the Interior Climate Science Centers. Reclamation is also working with the Department of Energy and its Power Marketing Administrations to determine the climate change impacts on hydropower generation.

**Fish and Wildlife Service** – The FWS 2012 budget request for the Cooperative Landscape Conservation initiative is \$67.5 million, an increase of \$27.5

million over the 2010 Enacted / 2011 CR level. The budget allows for the development of six more cooperatives, an increase of \$10.2 million, to complete the nationwide network of 21 cooperatives, as well as increases to adaptive science, Partners for Fish and Wildlife, the national wildlife refuge system, and Gulf Coast research.



An additional \$7.2 million will continue to build scientific capacity for fish and wildlife. Inventories of fish, wildlife, plants, and their habitats on refuges must be expanded to capture data for adaptive management decisions to better conserve species and habitats, and focus efforts on priority needs. Inventories, such as biodiversity, vegetative communities, and other biotic features that support fish and wildlife populations across a broad range of ecosystems, are used to detect climate-driven changes in these resources and help focus the FWS response at multiple landscape scales and improve management practices. The inventories will include cross-program work with migratory birds, endangered species, fisheries, and habitat conservation.

The 2012 budget includes a \$2.0 million increase for the Partners for Fish and Wildlife program, which provides financial and technical assistance for conservation to private landowners who voluntarily cooperate to conserve fish, wildlife, plants, and their habitats that are affected by climate change. Federal project funds will be leveraged and habitats adjacent to or near refuges will be improved to meet conservation and landowner objectives. Emphasis will be placed on strategic areas that focus on species considered most vulnerable to climate change, and that implement cost-effective measures to restore, enhance, and manage fish, wildlife, plants, and their habitats.

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An increase of \$8.0 million is requested for the national wildlife refuge system to continue building its landscape-scale, long-term inventory and monitoring program. A primary emphasis will be placed on building a data architecture that can store and serve the necessary large datasets. The FWS will coordinate its efforts to tie this data architecture with Department-wide efforts to develop a unified monitoring and data collection strategy.

**National Park Service** – The 2012 budget is \$9.9 million, essentially level with the 2010 Enacted/2011 CR level. The NPS will assess the vulnerability of natural and cultural resources to the effects of climate changes and other stressors at 150 park units and develop adaptation strategies to ensure that these resources are protected. The NPS will work through the Climate Science Centers and Landscape Conservation Cooperatives to develop and implement these plans at the regional and park level.

The NPS provided funding in 2010 to enable parks to implement short-term adaptation actions and



plan for long-term effects. For example, one project will inventory and protect salt marshes from risks of sea level rise at Acadia National Park in Maine. Managers and scientists are partnering to analyze the topography of salt marshes, and upland areas immediately adjacent to those marshes, to determine adaptation potential for salt marshes to migrate inland as sea level rises. Results of the study will inform managers about areas needing additional protection from development and locations where man-made barriers may impede migration.

Another project is a multi-regional evaluation of pollinator response to climate change in habitats critical to survival. The distributions of bee species in areas particularly vulnerable to climate change are being modeled across a minimum of 75 national parks. In 2010, a specimen processing center was set up and sampling protocols were tested, refined, and sent to participating parks. Approximately 2,700 bees were collected over the summer from 14 parks. Early results indicate biodiversity is high, with 36 classes represented, including some rare specimens, suggesting that pollinators in national parks may not currently be vulnerable to climate change and serving to inform researchers and the public about how to protect pollinators.

**Bureau of Indian Affairs** – The BIA 2012 budget request includes \$200,000. With this funding, BIA will co-lead the North Pacific cooperative with FWS and support tribal outreach efforts of other Landscape Conservation Cooperatives, particularly those in the northwestern U.S. In the North Pacific cooperative, BIA will seek tribal input and perspective from Tribes with traditional ecological knowledge, and both Indian Affairs staff and local tribal members will be involved to develop strategies to address adaptation.





# Water Challenges

*The Federal government's existing water policies and programs simply aren't built for 21st century pressures on water supplies. Population growth. Climate change. Rising energy demands. Environmental needs. Aging infrastructure. Risks to drinking water supplies. Those are just some of the challenges.*

*Ken Salazar, Secretary of the Interior  
February 22, 2010*

The Nation continues to face increasing water resource challenges. Aging water infrastructure, rapid population growth, depletion of groundwater resources, impaired water quality associated with particular land uses and land covers, water needed for human and environmental uses, and climate variability and change all play a role in determining the amount of fresh water available at any given place and time.

Water shortage and water use conflicts have become more commonplace in many areas of the United States, even in normal water years. As competition for water resources grows, the need for information and tools to aid water resource managers also grows. Water issues and challenges are increasing across the Nation, but particularly in the West and Southeast due to prolonged drought. Drought and increased demands are exacerbating the challenges facing traditional water management approaches, which no longer meet today's needs.

The Administration places a priority upon ensuring clean and safe water supplies and restoring and protecting ecosystems. To do so, Federal agencies must work together and with State and local governments, Tribes, industry, and the agriculture sector. These integrated efforts lead to improved strategies and results that better protect this vital resource. For example, in the Chesapeake Bay, the Environmental Protection Agency, Departments of Agriculture and the Interior, National Oceanic and Atmospheric Administration, and State and local governments are working together in an unprecedented fashion to reduce pollution and clean up the Nation's largest estuary. In Appalachia, EPA, Interior, and the U.S. Army Corps of Engineers are aligning and accelerating efforts to reduce the impacts of surface coal mining on aquatic resources. The Administration is committed to continuing such integration across Federal agencies and stakeholders to address the myriad of water resource challenges facing the Nation.



Solving these issues is made more complex by the governance of freshwater, which involves numerous jurisdictions and a complex array of laws and ownership and insufficient knowledge about water quantity and quality. The Department of the Interior is committed to provide a sustainable water supply for the 21st century as clearly demonstrated in its WaterSMART program; negotiation, settlement and implementation of Indian water rights settlement claims; pursuit of workable solutions to regional issues such as in the California Bay-Delta; and other water conservation efforts in areas all over the Country, like the Yakima River Basin pictured on the next page.



## **WATERSMART**

### **SUSTAIN AND MANAGE AMERICA'S RESOURCES FOR TOMORROW**

With an understanding of the need for a more cohesive and coherent approach to water management, on February 22, 2010, Secretary Salazar issued a Secretarial Order establishing a new water sustainability strategy for the United States, including identifying adaptive measures needed to address water issues related to a changing climate and future demands. The Secretarial Order is the implementing framework for Interior's WaterSMART program, a strategy to sustain and manage America's water resources for tomorrow.

#### **CHARTING NEW WATERS**

##### **A Call to Action to Address U.S. Freshwater Challenges Issued in September 2010 by the Johnson Foundation Freshwater Summit**

Beginning in 2008, the Johnson Foundation Freshwater Forum brought together over 100 experts from diverse disciplines to determine what it would take to achieve a sustainable and resilient freshwater system and on June 9, 2010 convened leaders from business, agriculture, government, academia, foundations and non-governmental organizations at a Summit. The results of the Summit are chronicled in a report.

This report calls for "... adequate and sustained funding for full implementation of key activities mandated in the SECURE Water Act of 2009, including the Water Availability and Use Assessment to be conducted as part of the Department of the Interior's WaterSMART initiative and the National Water Census, as well as the U.S. Geological Survey's National Streamflow Information Program and streamgaging network, and the creation of a National Groundwater Resources Monitoring Program and Brackish Groundwater Assessment."

The WaterSMART Secretarial Order has several parts, all of which are focused on improving water conservation and helping water and resource managers make wise decisions about water use, including:

- A national framework to integrate and coordinate water sustainability efforts of the Department and its Federal, State, and private partners. WaterSMART expands the Bureau of Reclamation's various grant programs and its studies of entire river basins. WaterSMART will also give a big boost to the U.S. Geological Survey's National Water Census, which will be conducted for the first time in over 30 years.
- A WaterSMART Clearinghouse web site that will be a resource to provide leadership and assistance in coordinating and integrating water conservation and sustainable water strategies. The clearinghouse will also bring stakeholders together to identify best practices in water conservation, incentives, and the most cost-effective technologies.
- The development and application of transparent criteria through the WaterSMART Clearinghouse that identify and support energy projects and actions that promotes sustainable water strategies. Through WaterSMART, Interior will identify the water footprint of various energy technologies to better understand these developing technologies.

WATER CHALLENGES (dollars in millions)				
	2011 President's Request		2012	Change
<b>BUREAU OF RECLAMATION</b>				
WaterSMART Grants <sup>1/</sup> .....	27.0	18.5	-8.5	
Basin Studies.....	6.0	6.0	0	
Cooperative Watershed Management.....	0	0.3	+0.3	
Title XVI Water Reclamation and Reuse .....	29.0	29.0	0	
Water Conservation Field Services.....	7.9	5.1	-2.7	
<b>Total, Reclamation.....</b>	<b>69.9</b>	<b>58.9</b>	<b>-11.0</b>	
	2010 Enacted/ 2011 CR		2012	Change
<b>U.S. GEOLOGICAL SURVEY</b>				
Water Availability and Use Assessments				
Geographic Analysis and Monitoring.....	0	0.5	+0.5	
National Cooperative Geologic Mapping.....	0	0.5	+0.5	
Ground Water Resources.....	1.6	2.7	+1.1	
Hydrologic Networks and Analysis.....	0.4	6.8	+6.4	
Fisheries: Aquatic and Endangered Resources..	0	0.5	+0.5	
<b>Total, USGS .....</b>	<b>1.9</b>	<b>10.9</b>	<b>+9.0</b>	

<sup>1/</sup> Formerly known as Challenge Grants.

- A water footprint reduction program that facilities and water-consuming operations can implement to assure that Interior exceeds the goal established by President Obama to reduce overall consumption of potable water by 26 percent by 2020 and industrial, landscaping, and agricultural water by 20 percent by 2020.



## 2012 BUDGET SUMMARY

Interior's 2012 budget request includes a total of \$69.8 million for the WaterSMART program, including \$58.9 million for Reclamation and \$10.9 million for USGS.

**Bureau of Reclamation –** Reclamation is the largest supplier and manager of water in the 17 western States. It maintains 476 dams and 348 reservoirs with the capacity to store 245 million acre-feet of water. These facilities deliver water to one in every five western farmers for about ten million acres of irrigated land and provide water to over 31 million people for municipal, rural, and industrial uses. Reclamation is also the Nation's second largest producer of hydroelectric power, generating 40 billion kilowatt hours of energy each year from 58 power plants. In addition, Reclamation's facilities provide substantial flood control, as well as many recreation and fish and wildlife benefits. Reclamation has an important role to play in providing leadership and assistance to States, Tribes, and local communities to address these competing demands for water.

Interior's 2012 budget includes \$58.9 million for water sustainability efforts through Reclamation. The 2012 request is \$11.0 million below the 2011 President's request, although this is due in part to the rebasing of the initiative to include the Water Conservation Field Services program, which previously was not part of WaterSMART. Reclamation continues its WaterSMART grants, Basin Studies, and Water Reclamation and Reuse programs. Interior will establish a Cooperative Watershed Management program through Reclamation and will incorporate Reclamation's WCFS program into WaterSMART.

Reclamation's budget is project oriented and the detailed project amounts in the 2012 budget are formulated from the 2011 request level. Therefore, comparisons below the account level are against the 2011 President's budget request.

*WaterSMART Grants* – The 2012 budget request includes \$18.5 million for WaterSMART grants. As a result of making difficult choices in the development of the budget, the request is \$8.5 million below the 2011 President's request, and this reduces the number of grants by close to 60. Reclamation will continue to award competitive cost-share grants based on those projects that exceed the minimum 50 percent non-Federal cost-share requirement and include:

- Sustainable water conservation and efficiency projects that allow users to decrease diversions and to use or transfer the water saved.
- Water marketing projects with willing sellers and buyers, including water banks that transfer water to other uses to meet critical needs for water supplies.
- Projects that improve water management by increasing the use of renewable energy, increasing the operational flexibility, constructing aquifer recharge facilities, making system optimizations and management improvements, or by addressing endangered species and other environmental issues.
- Pilot and demonstration projects that address the technical and economic viability of treating and using brackish groundwater, seawater, impaired waters, or otherwise creating new water supplies within a specific locale.

Reclamation will only fund new water conservation projects that can be completed within two years from the date of funding to encourage near-term impacts on water savings. Reclamation believes that water conservation, the use of water markets, and improved efficiency are crucial elements of any plan to address western water issues. With leveraged water sustainability grants, an important step will be taken towards increasing conservation for a more efficient use of water in the West.

## PRIORITY GOAL

To track progress in implementing WaterSMART, the Department established a Priority Goal for water sustainability in 2010. The goal commits Interior to annual targets, including the following for 2012:

**Enable capability to increase available water supply for agricultural, municipal, industrial, and environmental uses in the western United States by 490,000 acre feet by the end of 2012 through Reclamation's conservation-related programs such as water reuse and recycling (Title XVI) and WaterSMART grants.**

In 2010, Reclamation achieved 99 percent of its goal of 150,000 acre-feet. Thirty-seven projects were competitively selected for funding in 2010 and will contribute toward meeting Reclamation's Priority Performance Goal of 350,000 acre-feet of water savings by the end of 2011 and an estimated 490,000 acre-feet by the end of 2012. Projects selected in 2011 and 2012 will also contribute to achieve these goals.

A number of 2010 WaterSMART grant projects address the connection between water use and energy use. These projects not only achieve water savings, but can lead to significant increases in energy efficiency by decreasing pumping and reducing the amount of water imported across long distances. The Lower Colorado River Authority project in Texas will automate 11 check gate structures, which is expected to save approximately 2,560 acre-feet of water annually, decrease pumping needs, and reduce energy consumption by approximately 132,000 kilowatt-hours per year.

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*Basin Studies* – The Department’s request includes \$6.0 million for Reclamation’s Basin Studies program, which funds Reclamation’s partnerships with State and local entities to initiate comprehensive water supply and demand studies in the West. The 2012 request is level with the 2011 President’s request. The Basin Studies program includes three activities:

- Basin-wide water supply and demand studies include state of the art projections of future water supply and demand on a basin-wide scale, an analysis of how the basin’s existing water and power operations and infrastructure will perform in the face of changing water realities, and recommendations on how to optimize operations and infrastructure in the basin to supply adequate water in the future.
- West-wide risk assessments will provide a constant source of information and baseline data across Reclamation projects to better adapt to risks and impacts from a changing environment and provide key information needed for more in-depth analysis to be performed during future basin studies.
- Establish and participate in Landscape Conservation Cooperatives, which are partnerships between Interior and other Federal agencies, States, Tribes, non-governmental organizations, and other stakeholders, to bring together science and sustainable resource conservation activities to develop real science-based solutions to on-the-ground challenges from a changing environment within an ecological region or “landscape.” This leverages the resources and expertise of the partners and breaks down jurisdictional barriers to focus on natural resource issues that are specific to a particular ecosystem or landscape. In 2012, Reclamation will continue to work with the Fish and Wildlife Service to co-lead the effort to implement the Desert and Southern Rockies Landscape Conservation Cooperatives.

In 2010, Interior initiated and funded six river basin studies along with two other studies in eight different river basins to provide an inventory of water supply and demand. These studies also identified the

water needed to support ecosystems and reported on the factors that are causing significant competition over water resources.

*Cooperative Watershed Management* – In 2012, Reclamation will establish a Cooperative Watershed Management program, as required under the Cooperative Watershed Management Act of 2008. The budget includes \$250,000 to provide financial assistance to establish collaborative watershed groups and to fund projects, including restoration projects.

*Title XVI* – The Department’s request includes \$29.0 million for the Title XVI Water Reclamation and Reuse program, a major component of the WaterSMART strategy. The 2012 level for Title XVI is the same as requested in the 2011 President’s budget. Title XVI projects will identify and investigate opportunities to reclaim and reuse wastewater and naturally impaired ground and surface water in the 17 western States and Hawaii. Title XVI also provides authority for project sponsors to receive Federal funding on a cost-shared basis for planning and pre-construction activities. These include feasibility studies and financial capability preparation or environmental compliance, as well as construction of specific water recycling projects. Only congressionally authorized Title XVI projects are eligible to receive funding.

Title XVI projects have the potential to stretch water supplies using both time-tested methodologies and piloting new concepts. Federal investments in Title XVI projects, including all projects funded since 1992, made available an estimated 260,000 acre-feet of water in 2010. The 2012 request includes funding for six ongoing Title XVI projects and includes \$23.6 million for distribution, on a competitive basis, to those authorized projects that best reduce existing diversions; address specific water supply issues in a cost-effective manner; resolve and address environmental and water quality concerns; and meet other program goals. Title XVI authorizes Reclamation to provide financial assistance, on a cost-shared basis, to water agencies for the planning, design, and construction of water recycling and reuse facilities.

*Water Conservation Field Services* – In 2012, Reclamation’s Water Conservation Field Services program is included in WaterSMART. Funded at \$5.1 million, this program provides small-scale, cost-shared financial assistance at the local level for water conservation planning activities, on-the-ground efficiency improvements, demonstration projects,

and education and training. Applicants must compete for the funding that is capped at \$100,000 per project. As a result of making difficult choices in the development of the budget, the request is \$2.7 million below the 2011 President's budget, and thus reduces the number of projects by at least 27.

**U.S. Geological Survey** – The USGS provides a broad range of expertise in geography, geology, hydrology, biology, and data integration that is used by States, local communities, and others. Analyses of water quality and quantity at USGS help water and land resource managers develop, regulate, and monitor management practices to ensure the continued availability of water resources for human consumption, agriculture, industry, recreation, and fish and wildlife habitat.

The need to quantify, forecast, and secure fresh water sources to meet human, environmental, and wildlife demands now and into the future has been well established. The National Research Council's 2004 Report, *Confronting the Nation's Water Problems: The Role of Research* noted, "The strategic challenge

#### EXAMPLES OF TITLE XVI PROJECTS IN CALIFORNIA

The San Jose Area Water Reclamation and Reuse program calls for the planning, design, and construction of demonstration and permanent facilities to reclaim and reuse up to 36,000 acre-feet per year of wastewater treatment plant effluent in the San Jose metropolitan service area. The total program includes construction of 300 miles of pipe over a 150 square mile area involving six cities and provides reclaimed water to the San Jose metropolitan service area.

The Calleguas Municipal Water District recycling project consists of planning, designing, and constructing regional water recycling projects that include wastewater reclamation and reuse, brackish groundwater recovery, and regional salinity management projects. A total of ten specific projects are planned that would result in an estimated annual recycling recovery of 51,470 acre-feet of water to reduce the region's dependence on imported water supplies.

for the future is to ensure adequate quantity and quality of water to meet human and ecological needs in the face of growing competition among domestic, industrial-commercial, agricultural, and environmental uses." The USGS Science Strategy, *Facing Tomorrow's Challenges – U.S. Geological Survey Science in the Decade 2007-2017*, identifies the need to address this gap in understanding.

#### WATERSMART AVAILABILITY AND USE ASSESSMENT GOALS

- Bring existing plans and legislative mandates together in one strategy.
- Integrate existing science efforts across Interior to focus resources on water availability.
- Set forth a strategy to answer the questions: Does the Nation have an adequate quantity of water, with sufficient quality and timing characteristics, to meet both human and ecological needs? Will this water be present to meet both existing and future needs?

The Congress recognized the need to quantify, forecast, and secure fresh water and thus directed the Secretary of the Interior to establish a National Water Availability and Use Assessment program in the Omnibus Public Land Management Act of 2009. An assessment of the availability and use of water resources in the U.S. was last completed in 1978—over 30 years ago. Much has changed since then and it is vital that Interior establish a program to conduct a new and continuing assessment of the Nation's water resources to ensure future water supplies.

The 2012 budget request includes \$10.9 million for the USGS WaterSMART Availability and Use Assessment program. This is a \$9.0 million increase from the 2010 Enacted/2011 CR level. An interdisciplinary science approach will be used to implement this assessment, which will include:

- Estimating the distribution and abundance of fresh water resources over time.

- Evaluating factors affecting water availability including energy development, changes in agricultural practices, increasing population pressures, and competing priorities for limited water resources.
- Conducting assessments of water use and distribution for human, environmental, and wildlife needs.
- Developing estimates of undeveloped potential water resources such as saline and brackish water and wastewater.
- Collecting data and information needed to forecast likely outcomes of water availability, quality, and aquatic ecosystem health due to changes in land use and cover, natural and engineered infrastructure, and water use.
- Distributing grants to assist State water resource agencies in integrating State water use and availability datasets with Federal databases for a more comprehensive assessment of water availability.

*Water Use Evaluations* – In order to address water use conditions and integrate that information to provide a comprehensive picture of water availability, water use evaluations will be conducted that will address not only human uses, but also environmental needs for water. These evaluations will assess the use of groundwater and surface water by a variety of sectors including agriculture, municipalities, industry, and electric power generation. The USGS, in collaboration with other bureaus, will provide information that can be used by land managers in developing adaptive management strategies.

*Water Availability* – To focus its efforts, USGS will conduct water availability studies to define the need for fresh water in comparison with resource avail-

ability. Water availability will be studied comprehensively, including quantity and quality aspects of both surface and groundwater resources. Water uses will be examined for human, environmental, and wildlife needs with special emphasis on impacts to biodiversity and threatened and endangered species.

*Surface Water Availability Studies* – In 2012, USGS will initiate studies and examine the challenges in high priority river basins such as:

- *Colorado River Basin* – This region has one of the fastest growing populations in the Nation combined with the potential for expanded development of renewable energy and fossil fuels. The river supports fragile ecosystems and provides the backbone for hydroelectric power, irrigation, industry, and recreation throughout the region. River flows have been progressively decreasing since the 1920s, and future projections of consumptive use along the river pit the water supply needs of the upper basin States against those in the lower basin and Mexico.
- *Delaware River Basin* – The basin is the subject of the largest withdrawal of water east of the Mississippi River and provides water to over 15 million people, more than five percent of the Nation's population. Two Supreme Court decrees and coordination by an interstate river basin commission including the States of Delaware, New Jersey, New York, and Pennsylvania, are just part of the history of allocating scarce resources in the basin. In the upper portions of the basin, concerns over the effects of new natural gas development and the freshwater requirements for a recently discovered endangered mussel species have added new complexities to managing water resources in the basin.

- *Apalachicola, Chattahoochee, and Flint River Basin* – Competition for scarce water resources is occurring in the southern region of the country. In this basin, comprising portions of Alabama, Florida, and Georgia, severe drought has exacerbated an ongoing issue driven by increased public water supply demands associated with growth in the Atlanta region and increased agricultural withdrawals in



the southern portion of the basin. This basin is a prime example of where competing demands for water have resulted in litigation between States to determine who gets how much water and when.

*Groundwater Availability Studies* – The WaterSMART availability and use assessment will require that regional groundwater availability studies be conducted in each of the 30 principal water use aquifers of the U.S. These studies will be linked with surface water studies to improve an understanding of these as a single resource. The focus in the first year will be on two high priority aquifers and will also include a preliminary national assessment of brackish and saline groundwater resources.



As competition for water resources grows for irrigation of crops, for growing cities and communities, for energy production, and for the environment, the need for information and tools to aid water resource and land managers grows. WaterSMART, through the combined efforts of Reclamation in the West and USGS throughout the entire Nation, provides the foundation for a sustainable water strategy.

## RESOLVING LAND AND WATER CLAIMS

*Today the President has taken another giant step toward fulfilling this Administration's pledge to meet our trust responsibilities, empower tribal governments and help build safer, stronger, and more prosperous tribal communities.... These historic settlements mark a new chapter in our work to strengthen the Nation-to-Nation relationship with Indian Country.*

Secretary Ken Salazar  
December 8, 2010

On December 8, 2010, President Obama signed into law the Claims Resolution Act of 2010 including four Indian water rights settlements. The four settlements contained in the legislation provide permanent water supplies and offer economic security for the Taos Pueblo of New Mexico; Aamodt case pueblos, including the Pojoaque, Tesuque, San Ildefonso, and Nambe Pueblos in New Mexico; the Crow Tribe of Montana; and the White Mountain Apache Tribe in Arizona. The agreements will build and improve reservation water systems, rehabilitate irrigation projects, construct a regional water system, and codify water sharing arrangements between Indian and neighboring communities.

The Act provides various trust funds for the Tribes to manage these systems and settlement funds to develop infrastructure. The primary responsibility for constructing these water systems was given to Reclamation, while the Bureau of Indian Affairs is responsible for the majority of the trust funds, which includes \$207.2 million in mandatory funding in 2011. These bureaus are working with all parties to quickly implement the settlements.

The 2012 budget request includes \$84.4 million for Indian Land and Water Claim Settlements, including \$32.9 million in the BIA budget and \$51.5 million in the Reclamation budget.



*Photo courtesy of the National Congress of American Indians*

**Bureau of Reclamation** – In order to comply with the settlements, Reclamation is requesting \$5.0 million for the White Mountain Apache Tribe; \$8.3 million for the Crow Tribe; \$4.0 million for the Taos Pueblo; and \$9.4 million for the Aamodt case pueblos, for a total of \$26.7 million in 2012 for the initial implementation of these four settlements.

Reclamation is establishing an Indian Water Rights Settlements account to highlight and enhance trans-

parency in handling its settlement funds in alignment with the BIA settlement account. The account will include \$24.8 million for the previously authorized Navajo-Gallup Water Supply project. The Navajo-Gallup project will provide reliable and sustainable municipal, industrial, and domestic water supplies from the San Juan River to 43 Chapters of the Navajo Nation including the Window Rock, Arizona area; the city of Gallup, New Mexico; the Navajo Agricultural Products Industry; and the southwest portion of the Jicarilla Apache Nation Reservation.

**Bureau of Indian Affairs** – The BIA land and water claim settlements account will fund ongoing settlements including:

- *Nez Perce/Snake River Water Rights Settlement* – The budget includes \$9.5 million for the sixth of seven required payments for the Nez Perce/Snake River Water Rights Settlement. The Settlement authorizes the Department to provide the Nez Perce Tribe and the State of Idaho a total of \$170.9 million to be funded over seven years. The \$95.8 million BIA portion of the Settlement funds water supply, habitat restoration, and other purposes.
- *Shoshone-Paiute Tribes of the Duck Valley Reservation Settlement* – The Omnibus Public Land Management Act of 2009 authorizes \$60.0 million over five years for the Shoshone-Paiute Tribes of the Duck Valley Reservation Water Settlement. The budget includes \$12.0 million, the third of five payments to satisfy this requirement. The Act also authorizes \$50.0 million over ten years for the Navajo Nation Water Resources Development Trust Fund. The BIA budget request includes \$6.0 million, the third payment to satisfy this requirement.
- *Navajo-Gallup Settlement* – The budget includes \$4.4 million for the San Juan Conjunctive Use Wells and San Juan River Navajo Irrigation Project Rehabilitation which are also part of the Navajo-Gallup Settlement.
- An additional \$1.0 million is included in the BIA for other Indian land and water settlements.

## OTHER WATER ISSUES

The Department is engaged in water resource and supply activities across the West in areas such as the Klamath region, the Colorado River, and in California's Bay-Delta.

**Klamath Basin** – An agreement to restore the Klamath River Basin, including the potential removal of four dams from the Klamath River was completed in February 2010. The Klamath Basin Restoration Agreement is intended, among other things, to enable the recovery of salmon and other species that have been threatened by low river flows and poor water quality and pollution. The fisheries are critical to the Tribes of the Pacific Northwest. In 2012 the Secretary will make a determination as to whether or not removing the dams is in the public interest and advances restoration of the Klamath river fisheries.

**Colorado River** – In December 2010, Secretary Salazar and Mexican Environment and Natural Resources Secretary Juan Rafael Elvira Quesada announced the successful completion of an agreement to adjust water deliveries of the Colorado River to areas damaged by a devastating earthquake on April 4, 2010. They also announced a commitment by the two governments to initiate high-priority discussions on a comprehensive, long-term agreement between the U.S. and Mexico on the management of the Colorado River. Reclamation Commissioner Michael Connor said, "Water users and stakeholders up and down the Colorado River have a strong interest in a comprehensive water agreement that would enhance the reliability, certainty, and efficiency of water deliveries. The good faith negotiations that resulted in [this agreement] will help pave the way toward the comprehensive agreement..." .



**California Bay-Delta** – The California Bay-Delta is the hub of the Nation's largest water delivery system and one of the most important estuary ecosystems in the Nation. The Bay-Delta provides drinking water to 25 million Californians and sustains about \$400 billion of annual economic activity, including a \$28 billion agricultural industry and a robust set of recreational opportunities. It irrigates more than seven million acres of farmland on which 45 percent of the Nation's fruits and vegetables are grown. Until recently, it has supported a thriving commercial and recreational fishing industry that normally contributes hundreds of millions of dollars annually to the California economy. It is home to 55 species of fish and 750 species of plants and wildlife.

*After years of drought, growing stress on water supplies, and with the Bay-Delta in full environmental collapse, it has become clear to everyone that the status quo for California's water infrastructure is no longer an option.*

*Secretary Ken Salazar  
December 15, 2010*

On December 15, 2010, Secretary Salazar announced support for the essential elements of the California Bay-Delta Conservation Plan. This Plan is coordinated by six Federal agencies and calls for the restoration of tens of thousands of acres of marshes, wetlands, and habitat, and the construction of a new water conveyance system to move water from

#### **RECLAMATION RELEASES NEW BOOK ON COLORADO RIVER MANAGEMENT**

On December 17, 2010, the Bureau of Reclamation released *The Colorado River Documents 2008*, a new book that discusses the Secretary of the Interior's management of the Colorado River from 1979 through 2008. The book details the statutes, policies, agreements, and court decisions relating to river operations, environmental matters, Mexican treaty deliveries, water development, water entitlement actions, Native American water settlements, proceedings in *Arizona v. California*, and power generation and distribution issues that have occurred over the past 30 years.

north of the California Bay-Delta to water users in the Central Valley and the southern part of the State.

The Plan is one part of a comprehensive commitment to address California water issues. It promotes water conservation and efficiency improvements throughout California, expedites and expands voluntary water transfers in the Central Valley, dedicates



funding for immediate drought relief projects, and makes historic investments in modernizing California's water infrastructure.

Over the past two years, Interior has invested over \$500 million in major water projects, including the construction of the Delta-Mendota Canal / California Aqueduct Intertie to relieve conveyance limitations, allow for maintenance and repair activities, and provide the flexibility to respond to Central Valley Project and State Water Project emergency water operations; the Red Bluff Diversion Facility; Contra Costa fish screens; a large number of water reuse and water conservation projects; and seismic safety improvements at Folsom Dam. The 2012 budget for Reclamation includes \$172.9 million for California Bay-Delta, an increase of \$32.6 million over the 2011 President's request.

Reclamation is requesting \$39.7 million in 2012, \$349,000 below the 2011 President's budget for its California Bay-Delta Restoration account. The request will support implementation of the Bay Delta Conservation Plan as modified by the Interim Federal Plan. This account focuses on the health of the Bay-Delta ecosystem and improving water management and supplies.

**San Joaquin River Restoration** – Beginning in late 2009 and continuing through 2010, pursuant to Federal legislation, the Department reinstated flows in a 330-mile stretch of California's San Joaquin River,

much of which had been dry for over 60 years. The 2012 budget reflects the settlement of the *Natural Resources Defense Council v. Rodgers*. The Settlement includes a provision to establish the San Joaquin River Restoration Fund to implement the two pri-

mary goals of the Settlement: the first, to restore and maintain fish populations and second, to restore and avoid adverse water impacts. Reclamation is requesting \$11.0 million in discretionary funding in 2012, and \$24.1 million in permanent funds.

### INITIATING THE YUMA DESALTING PLANT PILOT RUN

In May of 2010, the Bureau of Reclamation and water agencies in the three Lower Colorado River Basin States of Arizona, California, and Nevada began the year-long pilot run of the Yuma Desalting Plant in Arizona to collect performance and cost data as the plant desalts or reclaims irrigation drainage water. Desalinated water from the plant is delivered to Mexico as part of an international treaty to provide 1.5 million acre-feet of water annually – allowing more Colorado River water to remain in Lake Mead. The Lower Colorado River Basin is experiencing a lengthy drought and Lake Mead is the largest reservoir in that basin. Six months into the pilot run, operation of the plant has remained 100 percent online without accident and with no substantial equipment malfunctions, processing delays or concerns, presaging a fully successful pilot run that will end in 2011. Over 14,000 acre-feet of water has been produced and returned to the Colorado River during the course of the pilot run.





# Strengthening Tribal Nations

*The President firmly believes that consultation with tribal nations must focus on engagement and results—solutions that help build safer, stronger, healthier, and more prosperous Indian communities. Our role, then, is to help you fulfill your vision for your Nations; to help your communities achieve their promise; to help your cultures flourish.*

*Ken Salazar, Secretary of the Interior  
November 15, 2010*

## STRENGTHENING TRIBAL NATIONS 2012 PROGRAM INCREASES (dollars in millions)

### ADVANCING NATION-TO-NATION RELATIONSHIPS

Contract Support .....	+29.5
Small and Needy Tribes.....	+3.0
Social Services .....	+2.0
Improved Management.....	+7.8
<b>Subtotal .....</b>	<b>+42.3</b>

### PROTECTING INDIAN COUNTRY

Detention Center Operations.....	+10.4
Law Enforcement Operations.....	+5.1
Detention Center Maintenance.....	+1.0
Tribal Courts.....	+2.5
Conservation Law	
Enforcement Officers.....	+1.0
<b>Subtotal .....</b>	<b>+20.0</b>

### IMPROVING TRUST LAND MANAGEMENT

New Energy Frontier .....	+3.5
Coop. Landscape Conservation .....	+0.2
Trust Natural Resource Mgmt.....	+7.7
Trust Real Estate Services .....	+3.2
Safety of Dams .....	+3.8
<b>Subtotal .....</b>	<b>+18.4</b>

### ADVANCING INDIAN EDUCATION

ISEP Program Adjustments.....	+3.9
School Environmental Audits .....	+2.0
Tribal Grant Support Costs .....	+3.0
<b>Subtotal .....</b>	<b>+8.9</b>

<b>TOTAL.....</b>	<b>+89.6</b>
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On Thursday, December 16, 2010, President Obama hosted the second White House Tribal Nations Conference. The conference brought together leaders from across the United States, with all 565 federally recognized Tribes invited. Tribal leaders were able to interact directly with the highest levels of his Administration and identify actions to fulfill the President's commitment to strengthen the Nation-to-Nation relationship with American Indian and Alaska Native communities.

The Strengthening Tribal Nations initiative is a multi-year comprehensive effort to advance the President's commitments to American Indians and Alaska Natives. The initiative continues efforts to improve the safety of Indian communities, improve trust resource management, and make tangible gains in Indian education—all with an ultimate goal of greater self-determination for Tribal Nations. Informed by Interior's consultation with the Tribes and reflective of tribal priorities, the initiative builds on the Administration's commitment to improving conditions throughout Indian Country.



As a result of tribal consultation, the 2012 President's budget proposes several shifts in funding to address priorities established by tribal leaders, including targeted increases to tribal programs and reductions for non-essential administrative spending. Overall, the 2012 budget request for Indian Affairs is \$2.5 billion, \$118.9 million below the 2010 Enacted/2011 CR level. Included within this level is \$89.6 million in targeted increases for the Strengthening Tribal Nations initiative, \$130.2 million in program reductions, \$86.5 million in program completions and administrative reductions, and \$8.2 million for fixed costs, including fixed cost increases for Tribes. As a result of increasing self-determination and the fact that more than half of Bureau of Indian Affairs programs and two thirds of Bureau of Indian Education schools are operated and managed by the Tribes, the program reductions include \$15.3 million for central oversight across multiple program areas.

## ADVANCING NATION-TO-NATION RELATIONSHIPS

*Like me, President Obama respects the inherent sovereignty of Indian Nations and believes the Federal government must honor its commitments to your communities. This Administration is working to uphold not just a government-to-government relationship with Tribes, but a Nation-to-Nation relationship.*

*Secretary Ken Salazar  
November 15, 2010*

At the second annual White House Tribal Nations Conference, President Obama vowed to continue to work with tribal leaders to achieve a better future for American Indian and Alaska Native communities. During the gathering of tribal leaders the President spoke of recent successes and the challenges that still face Indian Country. During this past year, improvements have been made to the consultation process, the Tribal Law and Order Act was passed, and most notably, long-standing disputes were settled with passage of the historic Claims Resolution Act of 2010.

Though progress has been made, there is still more to be done. Guided by consultations with Tribes and Interior's strategic planning, the 2012 budget furthers the goal of self-determination through increases in funding for contract support, small and

needy Tribes, social services, management effectiveness, and public safety programs.

**Contract Support**—The single largest increase in the initiative is \$29.5 million for the Contract Support program and the Indian Self-Determination Fund. The Tribes, through budget discussions with the Tribal Interior Budget Council, continue to identify funding for contract support as their top priority. Further, increased funding of tribal contract support will reduce the need for Tribes to use program funds to fulfill administrative requirements and will allow Tribes to deliver increased services. The funding for the Indian Self-Determination Fund will pay start-up and initial contract support costs, the

## SETTLEMENT OF THE COBELL LAWSUIT

On December 8, 2010, the President signed into law the Claims Resolution Act of 2010 which includes the \$3.4 billion Cobell settlement regarding the U.S. trust obligations. Under the terms of the settlement, approximately \$1.5 billion will be distributed to the class members to compensate them for their historical accounting claims, and to resolve potential claims that prior U.S. officials mismanaged the administration of trust assets. The second part of the settlement establishes a \$1.9 billion fund for the voluntary buy-back and consolidation of fractionated land interests to address the continued proliferation of thousands of new trust accounts caused by the division of land interests through succeeding generations. The land consolidation program will provide individual Indians with an opportunity to obtain cash payments for divided land interests and free up the land for the benefit of tribal communities. In addition, as an added incentive to facilitate the purchase of fractionated land interests, up to \$60.0 million of the \$1.9 billion for land acquisition will be contributed to an existing, non-profit organization for the benefit of educating American Indians and Alaska Natives. Upon final approval by the U.S. District Court for the District of Columbia, the *Cobell v. Salazar* settlement agreement will be implemented.

## RESPONDING TO THE 2010 TRIBAL NATIONS CONFERENCE

During the 2010 Tribal Nations Conference, many tribal leaders expressed concern about asserting tribal treaty rights for hunting, gathering, and subsistence fishing. The 2012 budget request provides an additional \$2.0 million dollars in the Rights Protection Implementation program and the Tribal Management Development Program to assist Tribes in protecting and asserting treaty rights.

Conference participants also expressed concern about trespassers illegally hunting and fishing on tribal lands. The budget request provides \$1.0 million for the creation of the Conservation Law Enforcement Officers program to assist in protecting Indian Country, including Trust and non-Trust lands.



Concern over tribal law enforcement issues was expressed, including the need for increased capacity. Increased law enforcement staffing is funded in the request with an additional \$5.1 million for Criminal Investigations and Police Services to allow tribal law enforcement agencies to hire more personnel.

Tribes also indicated interest in creating renewable energy to promote economic development and protect natural resources. The 2012 budget provides \$2.0 million for renewable energy with an overall \$3.5 million for the New Energy Frontier.

Consultation and collaboration were key components of tribal leaders' comments. The Department is working to create a comprehensive framework for consultation that will allow the Federal government to collaborate with Tribes in formulating policies. The 2012 budget request was informed by tribal consultation and the budget decisions and priorities reflect the input of the Tribal Interior Budget Council.

Finally, conference participants expressed support for increased contract support and self-determination funds. The 2012 budget request provides an additional \$29.5 million for Contract Support costs and the Indian Self Determination Fund. These increases will allow Tribes to cover more of their administrative costs. An additional \$3.0 million is provided to Tribal Grant Support Costs to assist Tribes that manage grant schools to cover administrative expenses.

primary barrier for Tribes that want to contract and compact new programs.

**Small and Needy Tribes** – Although all Tribes face obstacles to achieving self-determination, smaller Tribes tend to have more difficulty obtaining the resources necessary to operate their own programs. In 1992, the Senate Committee on Indian Affairs authorized the establishment of the Joint Tribal / BIA / Interior Task Force on BIA Reorganization to make recommendations on the reorganization of the BIA. One of the recommendations was an initiative targeted for Tribes designated as small and needy. In 1993, the Small and Needy Tribes initiative was

created to ensure small Tribes had the minimum amount of tribal priority allocation base funding needed to run viable tribal governments. The small and needy designation is based on population and funding thresholds. Small Tribes are designated as those having a population of 1,700 or less. Small and needy designation is for those that receive less than \$160,000 in recurring Tribal Priority Allocation funds in the lower 48 States and \$200,000 in Alaska. The small and needy funding augments the TPA allocation and allows these Tribes to carry out basic tribal services and programs. At the time of the original initiative, there were 450 Tribes that met the population criteria for a small Tribe and 264 Tribes

that met both the population and funding threshold criteria for a small and needy Tribe.

From 1995 through 1998, BIA received a total of \$26.4 million for this initiative. In 1999, the program was cancelled as all Tribes' TPA bases had been brought to the minimum threshold of \$160,000 with the funds received in 1998.

In 2012, Interior proposes a \$3.0 million increase to begin funding for small and needy Tribes again. Currently a total of 114 small Tribes receive less than the recommended thresholds for base funding. The funding in this initiative will be used to bring Tribes back to the minimum threshold funding. With this funding, small and needy Tribes will be able to develop stronger tribal governments.

**Social Services** – Tribal and BIA social workers are first responders for child protection and child welfare services on reservations. The 2012 budget includes a \$2.0 million increase for 15 additional social workers to help tribal communities deal with substance

#### BIA PERFORMANCE GOAL

With the additional funding for Social Services, BIA expects to increase the number of recipients who complete the goals identified in individual self-sufficiency plans from 69 percent to 74 percent, a five percent increase. For example, social workers can devote more time to helping clients secure employment or complete their General Educational Development test.

abuse, child abuse, sexual abuse, child and elderly neglect, loss of cultural knowledge, domestic violence, and youth suicide. According to the Centers for Disease Control, suicide is the second leading cause of death among American Indians and Alaska Natives ages 15 to 34 years. Suicide rates among American Indian and Alaska Native adolescents and adults are close to two times higher than the national average.

These additional bureau and tribal staff will work with counties and counsel parents to understand and implement changes that will correct these behaviors and ultimately reunite the families. The social workers will also provide training to parents, which is an important tool in reducing the number of child welfare cases.

#### INDIAN SELF DETERMINATION SPECIALISTS

The 2012 budget request provides an additional \$29.5 million for Contract Support and the Indian Self-Determination Fund. These increases will allow Tribes to Fund a greater proportion of administrative costs without decreasing program funds. The Indian Self-Determination Fund supports initial contracting costs for Tribes who want to contract and compact new programs.

With the increase to Contract Support and the Indian Self-Determination Fund, more staff is needed to monitor, negotiate, and provide technical assistance on approximately 3,200 Self-Determination contracts. The budget proposes to hire ten Self-Determination Specialists who can assist Awarding Officials to monitor contracts and provide technical assistance in contract development for an estimated 640 self-determination contracts, or 20 percent of all self-determination contracts.

**Improved Management** – The budget request contains a \$1.0 million increase for ten new Self-Determination Specialist positions, which is part of the five-year effort launched in 2009 to add an additional 50 awarding officials. Having sufficient self-determination staff will result in timely BIA management decisions that allow Tribes to assume responsibility for operation of programs on their reservations. These officials can help Tribes to resolve issues that hamper effective operation and management, including audit delinquencies, and instances of contract noncompliance.

The request also contains \$500,000 to aid Tribes with the development of a performance data management system to track information needed for annual audit and reporting requirements. In order to ensure compliance with all laws, regulations, and Departmental goals, the budget includes an additional \$450,000 for acquisitions and property personnel.

The budget continues to support the implementation of enacted land and water settlements. The 2010 Enacted / 2011 CR level includes an increase of \$1.5

million for the final payment of the Puget Sound Regional Shellfish Settlement. Funding provided in the 2010 Enacted / 2011 CR satisfies the Federal funding portion of the Soboba Band of Luiseno Indians Settlement and the Pueblo of Isleta Settlement. The 2012 budget request contains a \$4.4 million increase for the Navajo-Gallup Water Settlement.

On December 8, 2010, President Obama signed into law the Claims Resolution Act of 2010. The legislation included four water settlements for Taos Pueblo of New Mexico, Pueblos of New Mexico named in the Aamodt case of New Mexico, the Crow Tribe of Montana, and the White Mountain Apache Tribe of Arizona. The primary responsibility for constructing water systems associated with the settlements was given to the Bureau of Reclamation, and BIA is responsible for the majority of the trust funds. Mandatory funding was provided to BIA in 2011 for a large portion of the authorized trust funds. The BIA is working with all parties to quickly implement these settlements. A more detailed discussion of land and water settlements can be found in the Water Challenges chapter of Departmental Highlights.

## PROTECTING INDIAN COUNTRY

*I was proud to sign the Tribal Law and Order Act into law, which is going to help Tribes combat drug and alcohol abuse, to have more access to criminal databases, and to gain greater authority to prosecute and punish criminals in Indian Country.*

*President Barack Obama  
December 16, 2010*

Enhancing public safety in Indian Country remains one of the President's and tribal leaders' top priorities. On July 29, 2010, the President signed the Tribal Law and Order Act into law. The enactment of this law provides real and lasting change for law enforcement activities in Indian Country by providing tribal courts tougher sentencing powers and allowing some tribal police officers to enforce Federal laws on Indian lands. The BIA is working collaboratively with the Department of Justice to implement the Tribal Law and Order Act. The 2012 budget supports the goals of the law and stronger law enforcement programs by increasing recruitment and retention efforts of BIA and increasing social programs that will help to prevent drug traf-



ficking and reduce alcohol and drug addiction in tribal communities.

The Department is committed to assisting Indian communities to combat crime. In 2010, Interior bureaus including the Bureau of Land Management, Fish and Wildlife Service, and National Park Service as well as the U.S. Park Police detailed approximately 350 officers to four reservations in order to pilot enhanced law enforcement programs. The effort was a success.

Also in 2010, BIA revamped the recruiting process for law enforcement and corrections officers, conducting nationwide recruitments that reach a broader audience, promoting hiring of veterans, and working collaboratively with Tribes to seek qualified employees for detention center staffing.

While progress has been made in fighting crime in Indian Country, there is still more to be done. A recent report from the U.S. Government Accountability Office states that American Indians experience violent



## **EXAMPLE OF A SUCCESSFUL BIA DRUG ENFORCEMENT OPERATION**

In 2010, the BIA Division of Drug Enforcement worked in successful cooperation with the Caddo County Oklahoma Sheriff's Office, Oklahoma Bureau of Narcotics, and Oklahoma Highway Patrol to halt a drug operation discovered on tribal land. The collaborative effort ended with the seizure and dismantling of a marijuana operation. Assistant Secretary – Indian Affairs Larry Echo Hawk said, "BIA law enforcement personnel play a vital role in the detection, investigation, and prosecution of drug crimes both within Indian Country and across the United States. I congratulate BIA's Division of Drug Enforcement, the sheriff's deputies, and the other law enforcement officers who contributed to successfully stopping this drug operation."

crimes at more than twice the national rate. The 2012 budget request includes program increases of \$20.0 million over the 2010 Enacted/2011 CR level for targeted increases in law enforcement, for a total of \$354.7 million.

**Detention Center and Law Enforcement Operations** – The 2012 budget builds on increases from previous budgets and includes a program increase of \$10.4 million, for a total of \$84.9 million, for detention center operations for tribal and bureau operated facilities. This increase will also be used to fund operations at newly constructed detention facilities opening in 2011 and 2012. The request includes an additional \$5.1 million, for a total of \$189.3 million, for law enforcement operations for tribal and bureau operated programs. The funding will be used for staffing, training, and equipment to increase capacity for law enforcement and ensure communities can support efforts to combat crime in Indian Country.

**Detention Center Maintenance** – The 2012 budget also contains a \$1.0 million increase for operations and maintenance of detention facilities. From 1997 to 2002, the Department of Justice provided funding to Tribes to build 21 new detention facilities. The last four of these facilities are slated to open in 2011, and once open, BIA will be responsible for their operation and maintenance. Additional facilities

are being constructed using American Recovery and Reinvestment Act funds appropriated to the Department of Justice. Six of these facilities are scheduled to open in 2012. The \$1.0 million increase will allow BIA to pay for utilities, custodial services, and maintenance at these facilities. When they become operational, the centers will provide increased capacity for detainees, which is severely limited in many communities. Increased capacity for detainees is a key aspect of reducing crime in Indian communities.

**Tribal Courts** – In support of the enhanced capabilities given to tribal courts in the Tribal Law and Order Act, the 2012 budget includes an additional \$2.5 million for this program. Funding will be used for salaries and related administrative costs for judges, prosecutors, public defenders, court clerks, probation officers, juvenile officers, and other court support staff in the operation of tribal justice systems and Courts of Indian Offenses.

**Conservation Law Enforcement Officers** – The importance for Tribes to manage their own fish, wildlife, and land resources is well-documented by tribal leaders and in Indian fish and wildlife case law. Currently, no base funding is available for Tribes to hire law enforcement officials to monitor natural resources on tribal land, although Tribes have received some non-Federal assistance. The 2012 budget request includes an additional \$1.0 million

## **CONSERVATION LAW ENFORCEMENT OFFICERS ON TRIBAL LANDS IN THE GREAT LAKES AREA**

The Great Lakes Indian Fish and Wildlife Commission currently provides non-Federal funding for a few CLEOs on tribal lands in the Great Lakes area. During this past year, GLIFWC officers supported Wisconsin State officials and local law enforcement agencies in the arrest of a man who was illegally growing more than 150 marijuana plants on State lands on which Tribes have off-reservation hunting, fishing, and gathering rights reserved in treaties with the United States. With the additional funding in 2012, Indian Tribes across the United States will be able to provide similar protection for their tribal lands.

for tribal Conservation Law Enforcement Officers. The CLEOs' primary responsibility is the protection of tribal natural resources; however, officers are often cross-deputized with local law enforcement agencies providing CLEOs with the authorization to enforce criminal law. The additional funding in 2012 will support approximately 20 tribal CLEOs. Funding

will be managed by the BIA Trust Natural Resources Management Division and delivered to Tribes with fish and wildlife resources through existing tribal contracts and self-governance compacts, enabling Tribes to hire and provide credible certification for their CLEO personnel.

## **PROTECTING INDIAN COUNTRY INTERIOR'S PRIORITY GOAL**

The Department is tracking the effectiveness of BIA's law enforcement initiative with a Priority Goal. The goal started in 2010, and tracks the achievement of significant reductions in crime of at least five percent within 24 months on targeted tribal reservations. Results in the four communities reflect the implementation of a comprehensive strategy involving community policing, tactical deployment, and interagency and intergovernmental partnerships.

**Targeted Communities** – The program is being piloted in four communities:

Mescalero Apache Reservation, New Mexico  
Rocky Boys Reservation, Montana  
Standing Rock Reservation, North Dakota  
Wind River Reservation, Wyoming

**Performance Measures** – Performance is tracked based on the following measures:

Reduction in Part I violent crime, reported as total incidents on reservation or incidents per 100,000 service population. Crimes in this category include homicide, aggravated assault, simple assault, rape, and robbery.

Reduction in Part II crime total incidents. Crimes in this category include narcotic drug offenses, alcohol-related offenses, malicious destruction and vandalism, stolen property possession, weapons violations, family-related offenses, vice-sex offenses, and fraud.

**Performance Progress** – The initiative has shown tremendous success in reducing rates of crime, in improving the collection and standardization of crime data, contributing to the sense of well-being and safety on reservations, and developing effective partnerships between BIA, tribal governments, law enforcement agencies, Department of Justice agency components, and the community. One of the most important components to effectively address crime is providing an adequate amount of public safety personnel on reservations. Additional officers were provided at these four locations. Teams staffed by officers on detail from other BIA, tribal, and bureau law enforcement programs from across the Country provided patrol and investigative services. Another component of success is the implementation of community policing techniques. This allowed officers to be proactive instead of reactive when addressing crime trends. Officers worked with local communities, created youth programs, conducted training in schools, and engaging the local citizenry.

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## IMPROVING TRUST LAND MANAGEMENT

*Once land is in trust, Indian Country deserves responsive and responsible business practices from Interior that will help to manage the land and comply with the obligations of a trustee.*

*Secretary Ken Salazar  
November 15, 2010*

The BIA's trust land management programs assist Tribes in the management, development, and protection of Indian trust land and natural resources on 55 million surface acres and 57 million acres of subsurface mineral estates of trust land. Activities conducted by BIA in its resource management program assist tribal landowners to optimize resource use, which provides many benefits to tribal landowners such as revenue, jobs, and the protection of cultural, spiritual, and traditional resources.

The 2012 budget request includes an increase of \$18.4 million for trust natural resources programs, trust real estate programs, and dam safety. The budget increases funding for the New Energy Frontier with an additional \$3.5 million for renewable and conventional energy development projects on tribal trust lands. These are discussed in detail in the New Energy Frontier chapter of the Departmental Highlights. The budget also includes an increase of \$200,000 for Cooperative Landscape Conservation, which will fund BIA participation in Landscape Conservation Cooperatives. This is discussed in detail in the Cooperative Landscape Conservation chapter of the Departmental Highlights. Decreases in the Real Estate Services programs are discussed at the end of this chapter.

**Trust – Natural Resources Management** – The primary function of the Trust – Natural Resources Management program is to assist Tribes in the management, development, and protection of Indian trust land and natural resources assets. The budget includes an additional \$7.7 million for these programs primarily managed by Tribes.

**Natural Resources** – The budget request includes an increase of \$1.2 million to begin development of the former Bennett Freeze area. The Bennett Freeze was the product of a long-standing land dispute that impacted the Navajo people and prevented

development of land at the Navajo Reservation for over 40 years, where the predominant land uses are agriculture and grazing. During the freeze era, the Navajo people were prohibited from conducting activities on a segment of the reservation. They were prohibited from building new homes, schools, and health facilities; building infrastructure; and engaging in community and economic development projects, including development for grazing, energy, and other land uses.

The funding will be used by BIA to assist the Navajo Tribe to implement rangeland management activities including inventories, monitoring strategies that establish livestock carrying capacities, and set stocking rates for grazing permits. The funding will also be used for agricultural land use development and grazing permit administration. In addition, the program will develop and implement strategic range management and conservation plans, establish range units, rehabilitate and restore degraded rangelands, maintain and replace water storage tanks and windmills, construct fence lines associated with range units, and develop numerous water resources such as stock ponds and springs.

**Rights Protection Implementation** – This program supports the implementation of Federal court orders that resulted from decisions in off-reservation treaty rights litigation. The program assists Tribes in developing conservation management plans and codes governing off-reservation conservation enforcement. The program also assists with harvest management, population assessment, habitat protection, stock enhancement, and public information – activities that are necessary to implement treaty rights. The budget request includes an additional \$1.0 million for implementation of off-reservation rights protection.



**Tribal Management Development Program** – The primary purpose of this program is the management of tribal fish and game programs on Indian reservations. The budget includes an increase of \$1.0 million to support this culturally significant program. This program is primarily contracted to Tribes and all management objectives are set by the respective tribal governments.

**Invasive Species** – Tribal land managers, like all land managers, face a rising spread of invasive species. The budget includes an increase of \$500,000 to support tribal programs that control, manage, and eradicate harmful plant and animal species from reservations. Increased emphasis will be placed on cooperation with adjacent land owners and operators and on long-term pest management strategies.



**Water Management Planning and Pre-Development** – The budget includes a \$1.0 million increase for the Water Management Planning and Pre-Development program. This program assists Tribes in identifying and quantifying available water resources. Funds are competitively distributed to Tribes for a variety of studies and activities to protect the quality, quantity, management, and use of tribal water resources.

**Forestry Program** – Indian forests cover over 18 million acres of land, with a commercial timber volume of approximately 42 billion board feet and an annual allowable harvest of 700 million board feet. Indian forests are located on 292 reservations in 26 States. The 2012 budget includes an additional \$1.0 million for BIA forestry programs, which will be used to expand a broad range of activities such as forest protection, watershed restoration, and timber harvest management.

**Wildlife and Parks Program** – The budget includes an additional \$1.0 million for the Wildlife and Parks Program. Funding is provided to Tribes through a local priority setting process determined by the Tribe and BIA to fund tribal activities in the areas of fisheries, wildlife, outdoor recreation, public use management, and conservation.



**Fish, Wildlife, and Parks Projects** – Funding under this program is provided to Tribes with Fish Hatchery Operations and Maintenance programs. Fish released from tribal hatcheries benefit Indian and non-Indian commercial and sport fisheries, and help satisfy Indian subsistence and ceremonial needs. Recreational opportunities created by the stocking of trout, walleye, and other species attract numerous sport fisherman to Indian reservations and assist in developing reservation economies. The 2012 budget includes an increase of \$1.0 million to support these activities.

**Trust – Real Estate Services** – The Real Estate Services activity supports BIA responsibilities in the areas of trust services, probate, and land titles and records. Trust management also incorporates programs that coordinate and support the Department's trust reform improvement efforts. The budget request includes an additional \$3.2 million to support these programs. Decreases to the program are discussed at the end of this chapter.

**Real Estate Projects** – The budget includes an increase of \$330,000 for cadastral surveys on the Nez Perce Reservation in Idaho. These surveys must be completed as a requirement of the Nez Perce / Snake River Water Rights Settlements. Decreases to the program are discussed at the end of the chapter.

**Probate** – The budget includes a net reduction of \$5.6 million to the probate program. This includes a

\$7.5 million reduction as a result of the elimination of the probate backlog. The 18,101 backlog cases are expected to be completed at the end of 2011. There is a corresponding increase of \$1.9 million for the probate office at the BIA Central Office to support the management of the program and the distribution of assets among heirs and devisees.

**Water Rights Negotiations** – The budget request includes an increase of \$1.0 million for the Water Rights Negotiations program. This program funds activities associated with establishing or defending Indian water rights through negotiations and litigation. Increased program funding will advance research, documentation, and outreach with communities for resolution of Indian water rights litigation cases and the Federal and tribal negotiations conducted to secure adjudicated water rights in lieu of litigation.

Currently, there are 15 appointed Federal Indian Water Rights Negotiation Teams active in negotiating water rights claims through settlement agreements and congressional ratification. An additional 18 Federal Indian Water Rights Implementation Teams work on implementing congressionally ratified settlements completed during the past 20 years. With the increasing drought conditions in the western part of the Country and the pressures of an expanding population, the number of requests for the appointment of new negotiation teams continues to grow.

**Safety of Dams** – The 2012 budget includes \$23.7 million, an increase of \$3.8 million, for the Safety of Dams program. The additional funding will support program management, emergency management, and expedited projects to correct high risks at dams. The number of dams that have current risks with the potential to significantly impact human populations, those in the high and significant hazards category, has increased by more than 20 dams since 1998. Populations near these dams have grown. As a result, dams which were previously classified as low hazard are reclassified as high or significant hazard and require attention to protect populations downstream. The BIA collaborates with the Bureau of Reclamation to determine these classifications and identify remedial actions that are needed. Some of these dams are in poor condition and require extensive maintenance efforts. The budget increase will help BIA reduce the overall risk to the public from dam safety deficiencies in Indian Country.

## ADVANCING INDIAN EDUCATION

*We've got to improve the education we provide to our children. That's the cornerstone on which all of our progress will be built....We cannot afford to squander the promise of our young people. Your communities can't afford it, and our country can't afford it. And we are going to start doing something about it.*

*President Barack Obama  
December 16, 2010*

The 2012 request advances the Department's continuing commitment to Indian education at 183 schools and dormitories funded by the BIE. In recent years, investments in the education program have achieved improvements in the educational environment with new schools, facility improvements, operations and transportation, and new programs focused on student achievement. The 2012 budget focuses on providing a productive and safe education environment for Indian students.

The BIE elementary and secondary school system, located on 63 reservations in 23 States, educates or provides residential facilities for approximately 41,000 students in 183 academic or resident-only facilities. Total funding for school operations from Federal sources for BIE-funded schools was about \$1 billion in 2010, including \$736 million from BIE



## **ONGOING INDIAN EDUCATION IMPROVEMENTS AND ACCOMPLISHMENTS**

The Department of the Interior is:

- Reforming BIE management practices to improve the quality of services delivered to Indian children; taking steps to run the 59 BIE schools as a system; developing strategies to aid tribal Nations in improving BIE-funded contract and grant schools; and bringing stability to tribal colleges, Haskell, and SIPI.
- Working across the Federal community with the Department of Health and Human Services, Department of Agriculture, and the First Lady's Office to address the high levels of childhood obesity and diabetes among Native youth; because healthy children lead to healthy communities. The BIE has met with over 100 tribal health and education officials to ensure their thoughts are incorporated into the initiative.
- Replacing and updating schools and school facilities with Recovery Act funding and regular appropriations. In 2010, Indian Affairs completed 14 major school projects, including six replacement schools, five replacement facilities, and three facilities improvement projects.

and \$254 million from the Department of Education. Many of the communities served by BIE schools are characterized by below-average literacy rates, low incomes, and high unemployment. Elementary and secondary schools range in size from eight to more than 1,000 students, representing over 250 Tribes with different cultural backgrounds.

Education and learning beyond high school are also critical to a successful life and career; 80 percent of new jobs in the competitive global economy require post-secondary education such as a college degree or vocational training. The BIE operates two post-secondary schools, administers operating grants

to 27 tribal colleges and universities and two tribal technical colleges, and promotes post-secondary opportunities with scholarships to approximately 32,000 students. The 2012 budget reflects a decrease of \$50.0 million for the one-time forward funding for Tribal Colleges and Universities in 2010 that is no longer needed.

The 2012 budget request for BIE is \$795.6 million, a decrease of \$3.8 million for administrative savings. The Advancing Indian Education component of the Strengthening Tribal Nations initiative includes increases totaling \$8.9 million to address safety, security, and environmental issues at BIE schools and to increase contract support for tribal grant schools.

### **Indian School Equalization Program Adjustments**

– The 2012 request includes an increase of \$3.9 million for Indian School Equalization Program Adjustments that will be used to implement safety and security programs at ten schools and train staff to deal effectively with high-risk student behaviors. In recent years, a growing number of residential students have engaged in violent or disruptive behavior and had other difficulties functioning in a traditional school environment. Because many of the BIE students are from economically impoverished communities where alcohol, drug abuse, and gang violence are prevalent, they are at high risk to engage in dangerous behavior.

In 2008, an Office of Inspector General review of 17 BIE residential programs and off-reservation boarding schools reported significant safety and security issues. To continue to address these concerns, the 2012 budget request includes funding for training, equipment, and facility modifications that will reduce the threat of injury to students and faculty posed by high-risk behaviors. In some cases, security systems will be installed to monitor activity on campus and control access to the school. Behavior intervention programs will be implemented to assist teachers with managing problem behavior and preventing and eliminating certain types of behavior within the school. It is anticipated this initiative will reduce incidents of high-risk behaviors such as vandalism, weapons violations, violence, and drug or alcohol abuse at the selected schools.

**School Environmental Audits** – Just as important as the physical safety of the school is the environmental safety of the school. In 2008, the Environmental Protection Agency found widespread, systemic violations of Federal environmental statutes at schools in Indian Country. Indian Affairs will

assure compliance by implementing a comprehensive environmental management program for schools. The budget request includes an increase of \$2.0 million to enable Indian Affairs to meet the terms of a settlement agreement with EPA and hire 13 environmental professionals who will conduct environmental audits at all 183 BIE-funded schools and dormitories. These professionals will be strategically located across the Country in order to efficiently reach the schools they are auditing. Any violations will be rectified with facilities operations and maintenance funding.

These staff will also assist schools with developing, implementing, and maintaining environmental management systems. These systems will be used by schools to mitigate and prevent environmental violations, and to monitor and improve energy use and environmental quality. Hiring professionals to address these issues will allow BIE teachers to focus on their students.

**Tribal Grant Support Costs** – The Indian Affairs 2012 budget request includes a \$3.0 million increase for the Tribal Grant Support Costs program. The BIE currently funds 124 tribally controlled schools and residential facilities. Grant support funding helps to cover administrative and indirect costs incurred by a Tribe operating contract and grant schools. Expenses typically include fiscal audits, personnel, property and procurement management, office services and record keeping, insurance, security, and legal services. Tribally controlled grant schools currently receive 62 percent of the grant support funding needed as defined by the Administrative Cost Grants formula. Funding for this program, comparable to Contract Support, is a top priority for Tribes.

**Program Decreases** – The 2012 budget request for Indian Affairs includes \$130.2 million of program decreases of which \$7.9 million reflects program eliminations. The budget also includes \$86.5 million in savings from program completions and administrative reductions as part of the Accountable Government Initiative.

Program decreases totaling \$43.4 million are included for the following Operation of Indian Programs activities: \$11.2 million for Real Estate Projects; \$8.5 million for Land Records Improvement; \$7.5 million for Probate Backlog; \$2.0 million for Minerals and Mining Projects; and \$14.2 million for Central Office Oversight across all program areas. While funding for the Real Estate Projects program has decreased

## STRENGTHENING TRIBAL NATIONS 2012 PROGRAM REDUCTIONS (dollars in millions)

### PROGRAM DECREASES

Operation of Indian Programs.....	-43.3
Real Estate Projects .....	[ -11.2]
Land Records Improvements.....	[ -8.5]
Probate Backlog.....	[ -7.5]
Minerals and Mining.....	[ -2.0]
Central Oversight .....	[ -14.2]
Construction.....	-65.0
Land and Water Claim Settlements	-6.0
Indian Guaranteed Loan Program -	5.0
Indian Land Consolidation Program.....	-3.0
<b>Subtotal .....</b>	<b>-122.3</b>

### PROGRAM ELIMINATIONS

Litigation Support/ Attorney Fees..	-2.1
Community Development .....	-1.4
Residential Education	
Placement Prog.....	-3.8
Juvenile Detention Education.....	-0.6
<b>Subtotal .....</b>	<b>-7.9</b>

<b>TOTAL.....</b>	<b>-130.2</b>
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by \$11.2 million in 2012, BIA will work with Tribes to consider a reimbursable program to fund cadastral survey program activities so that these costs are captured as part of real estate transactions.

Program decreases totaling \$64.9 million are included in the 2012 request for the following Construction programs: \$500,000 for Construction Program Management; \$8.9 million for Education Replacement Facilities; \$41.5 million for Public Safety and Justice new facilities, \$5.0 million for Public Safety and Justice Employee Housing; and \$9.0 million for the Navajo Indian Irrigation Project. New construction on two Public Safety and Justice facilities will be completed in 2012. Interior will collaborate with Tribes and the Department of Justice to strategically determine where funding for detention center construction should be placed in Indian Country in the future.

The Indian Guaranteed Loan Program is reduced by \$5.0 million while the program undergoes an evaluation. The 2012 budget request also includes a programmatic decrease of \$3.0 million for the Indian Land Consolidation Program because the *Cobell v.*

*Salazar* settlement agreement provides a \$1.9 billion fund for land consolidation.

The 2012 request includes \$7.9 million in reductions for program eliminations, including: \$2.1 million for Litigation Support/Attorneys Fees; \$1.4 million for Community Development; \$3.8 million for the Residential Placement Program; and \$620,000 for the Juvenile Detention Education program.

The budget request includes \$64.4 million in reductions for program completions, including: \$50.0 million for the one-time forward-funding in 2010 for Tribal Colleges and Universities; and \$14.4 million for three completed Indian land and water settlements for Pueblo of Isleta, Soboba Band of Luiseno Indians, and Puget Sound Regional Shellfish.

The 2012 budget request includes \$22.1 million in administrative reductions, including reductions that reflect the Accountable Government Initiative. The initiative consists of administrative savings of \$3.5 million for fleet vehicles and \$13.4 million for the following activities: \$3.1 million for travel and transportation of persons; \$469,000 for transporta-

**STRENGTHENING TRIBAL NATIONS  
2012 PROGRAM COMPLETIONS AND  
ADMINISTRATIVE REDUCTIONS**  
(dollars in millions)

**PROGRAM COMPLETIONS**

Tribal Colleges and Universities	
One-Time Forward Funding .....	-50.0
Land and Water Claim Settlements	-14.4
<b>Subtotal .....</b>	<b>-64.4</b>

**ADMINISTRATIVE REDUCTIONS**

Operation of Indian Programs.....	-20.2
Construction.....	-1.8
Indian Guaranteed Loan Program..	-0.1
<b>Subtotal .....</b>	<b>-22.1</b>
 <b>TOTAL.....</b>	 <b>-86.5</b>

tion of things; \$84,000 for printing and reproduction; \$3.3 million for advisory and assistance services; and \$6.4 million for supplies and materials. Additional savings include \$5.2 million in travel and relocation, information technology, and strategic sourcing.



# Youth in the Great Outdoors



*We have access in this Country to some of the greatest parks and recreation facilities. We just want to encourage kids to use the resources that are available to them. It's really a lot of fun. And it's not just a great way to get exercise. It's also a phenomenal way to come together as a family and spend some time together without spending a whole lot of money.*

*Michelle Obama, First Lady of the United States  
June 1, 2010*

Youth in the Great Outdoors is an integral component of the America's Great Outdoors initiative launched by President Obama on April 16, 2010. The Department of the Interior's youth initiative will employ, educate, and engage young people from all backgrounds to explore, connect with, and preserve America's natural and cultural heritage.

Interior's bureaus are uniquely positioned to make this connection with America's young people. Educational and employment opportunities offered by the Department provide a wide range of

opportunities for today's young people to experience and appreciate America's heritage hands-on. Youth employment programs across the Department engage thousands of young men and women. Youth participants are from diverse backgrounds in all States and Territories and include those from Tribes, under-served populations, and those who have little opportunity to experience the outdoors. Interior bureaus are implementing new, creative ways to engage America's young people and instill a life-long commitment to protect, preserve, and enjoy the natural environment and cultural treasures.

## FROM CONVERSATION TO ACTION: CHANGING THE WAY INTERIOR DOES BUSINESS

In 21 youth specific America's Great Outdoors listening sessions, young people from all across the Country shared their passion, energy, and commitment to the great outdoors. They also expressed their opinions about environmental and other issues they care about most and provided a series of recommendations about the need to:

- Develop quality conservation jobs and service opportunities that protect and restore America's natural and cultural resources, while creating career pathways to green jobs.
- Increase and improve recreational access and opportunities.
- Cultivate environmental stewardship and appreciation of America's natural, cultural, and historic resources through innovative awareness campaigns and hands-on educational opportunities.
- Engage young people in the implementation of the America's Great Outdoors initiative.
- Create and enhance a new generation of safe, clean, accessible urban parks and community green spaces.
- Empower communities to connect with America's great outdoors through their rivers and other waterways.

## **YOUTH IN THE GREAT OUTDOORS THE SECRETARY'S AGENDA**

To address the challenge of engaging youth with natural resources and the outdoors, Interior has an agenda for the 21<sup>st</sup> century. This agenda encom-



passes four key goals, largely influenced by what was learned from youth specific America's Great Outdoors listening sessions:

- Make the outdoors relevant to today's young people by making it inviting, exciting, and fun.
- Ensure that all young people have access to safe, clean, and close-to-home outdoor places.
- Empower and enable youth to work and volunteer in the outdoors.
- Educate youth in formal and informal settings through environmental and outdoor education activities.

In 2010 and 2011, Interior began expansive efforts to engage, educate, and employ youth to explore, connect with, and preserve America's shared natural and cultural heritage on the lands, waters, and unique assets that the Department protects. Many of these programs are accomplished with the aid of partner groups that provide additional financial resources and often match the funds made available by the bureaus. With the help of partners, these programs generated permanent and temporary employment opportunities for 45 percent more youth in 2010 than in 2009, an increase of almost 5,000 youth employed for a youth employment total of 21,874. This ambitious achievement involved bureaus and offices throughout the Department. The 2012 goal

## **PRIORITY GOAL YOUTH STEWARDSHIP AND ENGAGEMENT**

Youth engagement is a key component of the Department's vision to build a 21st century Department of the Interior. Youth involvement in Interior's stewardship agenda infuses energy and new thinking, educates a generation that has lost touch with nature in values surrounding conservation, and has the potential to improve the health of younger generations. To focus on this issue, the Department has a priority goal to increase youth employment through direct hires and partnerships. The goal as stated in the strategic plan:

**Increase (from 2009 levels) in the employment of youth between the ages of 15-25 in the conservation mission of the Department. 2012 Target: +50 percent.**

In 2010 the bureaus and offices of the Department increased employment of youth between the ages of 15 to 25 by 45 percent over 2009.

The Secretary has challenged the bureaus to exceed the 50 percent increase targeted for 2012 and increase employment of youth by 60 percent over 2009 in 2012.

is to increase youth employment at Interior by 60 percent over 2009 levels, primarily through programs in the Bureau of Land Management, Bureau of Reclamation, Fish and Wildlife Service, and National Park Service.

## **2012 BUDGET SUMMARY**

The 2012 budget request includes \$46.8 million, an increase of \$7.6 million over the 2010 Enacted/2011 CR level, for BLM, USGS, FWS, and NPS youth programs at national parks and national wildlife refuges, on public lands, and in partnerships with the National Fish and Wildlife Foundation. Other Interior bureaus also contribute to the initiative through base operational funding.

**Youth Programs on BLM Public Lands** – The BLM currently sponsors many activities to educate the

## YOUTH EMPLOYMENT GOALS

	Number of Youth Hires		Percent Change from 2009	
	2009	2010	2010	2012
	Actual	Actual	Actual	Goal
BLM .....	2,218	3,106	+40%	+45%
BOEMRE .....	41	34	-17%	+35%
OSM .....	102	218	+114%	+115%
Reclamation .....	170	192	+13%	+40%
USGS .....	512	544	+6%	+35%
FWS .....	1,460	2,353	+61%	+70%
NPS .....	6,175	8,168	+32%	+60%
BIA .....	144	854	+493%	+500%
OS .....	102	410	+302%	+305%
SOL .....	2	1	-50%	+50%
OIG .....	15	21	+40%	+50%
<b>TOTAL.....</b>	<b>10,941</b>	<b>15,901</b>	<b>+45%</b>	<b>+60%</b>

Nation's youth about natural and cultural resource issues and inspire an ownership mentality to better assure the future protection of these resources. The 2010 Enacted / 2011 CR BLM budget included \$7.6 million to support education, interpretation, and internship programs that offer young people and families opportunities to actively learn and participate in outdoor conservation programs. These programs help prepare the next generation of conservation professionals to meet BLM's current and future workforce needs. In 2009 BLM employed over 2,200 young people. In 2010 BLM youth employment increased by 40 percent over 2009 levels. In 2012 BLM will increase youth employment by 45 percent over 2009 levels. The 2012 budget directs \$1.0 million in base funding to engage additional youth through partnership programs with the National Fish and Wildlife Foundation that leverage private sector contributions to engage and employ youth in conservation activities.

**USGS Youth Internships** – The USGS supports a variety of science education activities for a range of age levels, in both formal and informal settings. These engagement activities are made possible by coordinating student internships, conducting workshops and presentations at science and education meetings, representing USGS and Interior on interagency education and workforce development committees, maintaining and expanding the Bureau's educational website, and responding to science education requests from citizens and partners in professional science societies, schools, and aca-

demia. Many of these opportunities are consistent with the President's initiative to strengthen education in the fields of science, technology, engineering and mathematics, to help America's children thrive in the 21st century. The USGS employed over 500 young people in 2009 and increased that amount by six percent in 2010.



In the 2010 Enacted / 2011 CR, USGS supported the Secretary's Youth initiative by expanding student internships through an integrated education and research program. This science center based program expanded opportunities for youth to conduct research alongside USGS scientists and staff. The USGS EDMAP program supports the training of a new generation of geologic mapmakers in universities and colleges through a competitive matching grant program. In 2012 due to reductions in lower priority and lower performing programs, USGS is reducing the internship program by \$1.5 million and will offer fewer internships. Funding for EDMAP will decrease by \$100,000 and provide fewer grants. The USGS will continue seeking opportunities to

## YOUTH IN THE GREAT OUTDOORS

(dollars in millions)

	2010		
	Enacted/ 2011 CR	2012	Change
BLM.....	7.6	8.6	+1.0
USGS .....	5.0	3.4	-1.6
FWS .....	13.2	15.7	+2.5
NPS.....	13.5	19.2	+5.7
<b>TOTAL .....</b>	<b>39.2</b>	<b>46.8</b>	<b>+7.6</b>
[NPS Recreational Fees] .....	[4.4]	[4.4]	[0]

engage youth and has set a goal to increase youth employment by 35 percent in 2012 relative to 2009 using available resources.

**Youth Programs at the Fish and Wildlife Service –** Hundreds of national wildlife refuges offer employment, education, and recreation opportunities that connect youth with the outdoors. In 2009 the refuge, fish hatchery, and other FWS programs employed over 1,400 youth. Funding increases between 2009 and 2010 in FWS operations were used to increase youth employment by over 60 percent. The 2012 budget proposes \$15.7 million for FWS youth programs, an increase of \$2.5 million over the 2010 Enacted / 2011 CR level. In 2012 proposed increases for the Youth Conservation Corps program and a partnership with the National Fish and Wildlife Foundation will help increase youth employment by 70 percent over 2009.

The FWS has existing partnerships with friends organizations, volunteers, educational institutions, and local conservation organizations. For example,



the FWS long-standing Shorebird Sister Schools Program engages students in learning about the mechanics of the shorebird's annual migration along the Pacific Flyway. These connections foster understanding and appreciation of the need to conserve America's migratory birds and their natural habitats. The FWS youth programs also provide career and public service opportunities to promote a life-long commitment to natural resource conservation.

#### **YOUTH IN PUBLIC SERVICE**

In 2010, Interior launched partnerships with other Federal agencies that target youth involvement with the outdoors. Interior is working with the:

- Departments of Labor and Agriculture to support a grant initiative designed to help prepare disadvantaged youth for jobs in the outdoors. The effort will enable ex-offenders to give back to their communities through service and conservation work.
- Department of Labor to leverage Workforce Investment Act funding to support summer youth employment.
- Environmental Protection Agency on funding for a Native youth employment program in fish hatcheries.
- Department of Education to support and promote learning at national parks using their unique resources to enhance educational experiences for students and teachers.

The 2012 budget will build upon existing proven programs and offer public service opportunities on refuges, science based education, and outdoor learning laboratories to engage young Americans in wildlife conservation activities, such as species monitoring. The 2012 budget includes an increase of \$2.0 million for the Youth Conservation Corps program to provide opportunities for young adults from varied backgrounds to work together on conservation projects such as maintenance and construction, habitat management, and visitor services.

**Youth Programs at the National Parks –** With long-standing traditions of preserving and protecting national treasures, NPS works to ensure young Americans ages five to 25 from different economic, ethnic, social, and cultural backgrounds learn about and enjoy park resources. In the 2010 Enacted / 2011 CR, NPS will invest more than \$17.9 million, including \$4.4 million from the Recreational Fee program, in programs that directly expand opportunities for America's children and families. The NPS increased youth employment through partners, such as the Student Conservation Association and Corps Network. In 2009 NPS employed over 6,100 individuals in Youth Conservation Corps projects, internships, and temporary positions. Funding increases between 2009 and 2010 for youth internships generated a 32 percent growth in youth employment. The 2012



budget for NPS youth programs is \$23.6 million, including \$4.4 million from the Recreational Fee program, an increase of \$5.7 million over the 2010 Enacted/2011 CR level. In 2012 NPS will increase youth employment by 60 percent over the 2009 level.

The NPS youth programs foster a strong relationship between youth and the natural and cultural resources they manage. Participants learn valuable natural and cultural resource management skills and develop a greater appreciation of American history and the Nation's most renowned ecosystems. There are numerous park managers, past and present, who developed a life-long commitment to parks through these programs. The cadre includes Robert Stanton, former Director of the National Park Service, who began his career as a Youth Conservation Corps participant and now is a Senior Advisor to Secretary Salazar.

The 2012 NPS budget includes a net increase of \$5.7 million. The increase in park operations funding will establish or enhance programs that introduce youth to the NPS mission of conserving and preserving the Nation's treasures. With few exceptions, the parks receiving increases are located in or very near major metropolitan areas, which would facilitate easier engagement of urban youth from diverse socioeconomic backgrounds. Over half of the increases are for youth employment programs designed to engage under-served populations. The programs involve work in resource management, interpretation and visitor services, maintenance, and special events.

The Federal Lands Recreation Enhancement Act authorizes NPS to collect recreation fees at select parks. Fees are used to improve visitor services and enhance the visitor experience. The majority of the revenues return directly to the park where

## EXAMPLES OF PROPOSED PARK YOUTH PROGRAMS

- An increase of \$220,000 at Canyonlands National Park will lead to the expansion and enhancement of curriculum-based youth education programs at four parks in southeast Utah. The four parks are located in large rural counties, with significant communities of Hispanic and Navajo populations. The increase will fund both the Canyon Country Outdoor Education program and the educational element of the Canyon Country Conservation Corps.
- An increase of \$313,000 for 15 National Capital Region parks in and around Washington, D.C. will enhance a youth employment program which attracts an urban minority population and provides job readiness training, progressive work assignments, skill development, and educational and vocational experiences.
- An increase of \$129,000 at Lowell National Historical Park in Massachusetts will foster partnerships that will engage urban youth from diverse ethnic and economic backgrounds within communities surrounding Lowell and three other parks in New England. The program will engage 75 youth in experiential learning using park resources, leadership development, and occupational skills training. In addition, eight to 16 interns will be recruited for jobs in resource management, interpretation, and visitor services annually.

they were collected. The NPS estimates that it will collect \$168.2 million in revenues in 2012. In 2012 NPS will dedicate \$4.4 million in recreation fees to youth projects that benefit the visitor experience.

**Youth Opportunities in Other Interior Bureaus –** The Office of Surface Mining programs employed 218 youth in 2010, doubling the 2009 OSM youth employment total. Along with partners, OSM employs youth in its watershed assistance program to restore

lands that were degraded from historic mining. The primary partners are a coalition of community improvement groups in rural communities and the Corporation for National and Community Service, which includes Volunteers in Service to America, commonly referred to as VISTA. The OSM 2012 employment goal is to raise the number of youth employed by 115 percent over the 2009 level.

The Bureau of Reclamation youth programs include Catch a Special Thrill events. Reclamation sponsored 22 of these events in 2010 providing 900 disabled or disadvantaged youth fishing experiences and drawing over 2,300 volunteers. Participants were

also provided information on healthy eating and healthy lifestyles. The Bureau of Reclamation employed 192 youth in 2010 and has established a 2012 goal of increasing youth employment by 40 percent over the 2009 level, either through a temporary position with the Bureau or in a conservation capacity with a partnering organization.



**National Fish and Wildlife Foundation Partnerships** – Congress created the National Fish and Wildlife Foundation to foster private sector-government partnerships for the conservation and management of fish, wildlife, and plant resources. The 2012 request includes an increase of \$2.0 million for this purpose. This includes \$1.0 million in new funds for FWS and \$1.0 million of \$3.0 million in existing BLM funding for activities that foster youth programs through public-private partnerships managed by the Foundation. The two bureaus had

both previously engaged in partnership programs with the Foundation, but this is the first time the partnerships will focus on engaging youth.

The partnership activities will leverage the Federal funding with at least an equal amount of privately financed contributions. Funds will be competitively awarded to friends groups, the Youth Conservation Corps, non-governmental organizations, and others who will work with FWS and BLM managers to develop innovative conservation employment opportunities for youth. The primary focus of the grant program will be to preserve and protect priority species and their habitats on both public and private lands. Summer employment opportunities will be specifically targeted, but after school and weekend employment programs will also be considered.

The Foundation will also seek matching funds for Federal grants through partnerships with corporations who participate in the commerce of recreational goods and services. By collaborating with private partners, the Foundation, BLM, and FWS will be able to engage a broader audience of participants and incorporate programs that can attract youth from urban areas and sectors of the population not necessarily acquainted with Interior's youth programs. Historically, the Foundation has leveraged Federal funds with non-Federal matching contributions at a two to one or greater ratio.

Environmental education will be an integral aspect of the grant program. Eligible grantee organizations will need to demonstrate how environmental learning goals have been incorporated into each youth hire opportunity. To assist potential grantee organizations, the National Conservation Training Center will work with the Foundation to develop learning goals, curricula, and other training material that can be made available through the web or through a handbook. The material will include both lessons and suggestions for hands-on educational activities that can be conducted outdoors.

## LET'S MOVE!

The National Park Service, Fish and Wildlife Service, and Bureau of Land Management are all taking an active role in First Lady Michelle Obama's *Let's Move* initiative to combat the problem of childhood obesity.

- The NPS is promoting outdoor physical activity for children and families through its *Let's Move Outside Junior Rangers!* program which encourages kids and families to engage in outdoor activity that gets hearts pumping and bodies moving. Kids who complete at least one physical activity in pursuit of their Junior Ranger badge receive a sticker that designates them as a Let's Move Outside Junior Ranger.
- The BLM *Take It Outside* program promotes and supports outdoor activities and experiences on public lands. The program strives to improve the health of the Nation's children, families, and communities, while at the same time developing the next generation of public land stewards.
- The FWS *Let's Go Outside* website is a repository of activities hosted by national wildlife refuges with links to partners that connect children and families to nature through outdoor activities.

Many Interior outdoor activities are easily accessible from urban areas. For example, NPS employed 767 students in the National Capital region as part of its 4E's program – Environment, Education, Exercise, and Eating Choices. Young people from diverse backgrounds participated in more than 100 projects from restoring wetlands and building hiking trails, to creating digital media documentaries and protecting endangered species.

Rural communities are also served by Interior programs that take youth outside. For example, the FWS Fisheries program supported Tribal Youth Conservation Corps projects in New Mexico, Arizona, and Montana. These projects offered tribal youth training and employment in natural resource conservation.







# Management Effectiveness

*We shouldn't just give our people a government that's more affordable. We should give them a government that's more competent and more efficient. We can't win the future with a government of the past.*

*Barack Obama, President of the United States  
January 25, 2011*

The Obama Administration has challenged Federal agencies to make the Nation's government more effective – to deliver more to the taxpayers and manage Federal resources responsibly. The challenge includes reviewing programs for savings opportunities, eliminating lower priority and underachieving programs, encouraging employees to identify savings opportunities, and investigating new ideas to increase the effectiveness and efficiency of government operations. The Administration's performance management efforts focus on the following strategies with the highest potential to achieve meaningful performance improvement within and across Federal agencies:

- Driving agency top priorities.
- Cutting waste.
- Reforming contracting.
- Closing the information technology gap.
- Promoting accountability and innovation through open government.
- Attracting and motivating top talent.

The Department of the Interior is working aggressively to meet the Administration's management challenges and the progress is reflected in the 2012 budget. Interior's 2012 budget:

- Manages for results by defining core mission priorities, with deliberate strategies and performance measures.
- Reflects a comprehensive review of programmatic priorities.
- Implements the Administration's Accountable Government Initiative with \$99.4 million in targeted administrative cost savings in high cost areas such as supplies, travel, and advisory services.
- Continues to implement Department-wide policy changes in travel and relocation, information technology consolidation, and strategic sourcing to achieve another \$62.0 million in savings in 2012.
- Reflects efforts to enhance Federal contracting and acquisition policies and procedures to ensure taxpayers get the best value possible.
- Transforms the delivery of information technology services to a more consolidated and customer-oriented business model.

- Budgets for fixed cost increases by accommodating these adjustments among programmatic priorities.
- Reflects ongoing efforts to improve management of asset inventories, reduce real property costs and, in financial management, reduce the number of improper payments made.
- Looks forward to develop innovative approaches to achieve additional savings in future years.

## MANAGING FOR RESULTS

At the end of 2010, the Department completed a new five-year strategic plan that simplifies Interior's mission objectives and outlines five mission areas with discrete goals, strategies, and measures to assess performance.

Interior's Strategic Plan will facilitate the integration of programs, the allocation and alignment of resources to achieve key goals, and collaboration and coordination with stakeholders. These five mission areas will guide the Department's activities for the next five years. The performance measures will be used to gauge progress and enable the President, Congress, and the public to assess the Department's performance. The Plan was developed over the course of 18 months including extensive consultation to incorporate lessons learned and reflect a more integrated, simple, and focused presentation. The Department incorporated expanded consultation with Indian Tribes. A series of nine consultation sessions were held across the Nation and the comment period was extended several times to accommodate additional input.

The following five mission areas provide the framework for the Department's overarching stewardship responsibilities and define long-term areas of focus:

- Provide natural and cultural resource protection and experiences.
- Sustainably manage energy, water, and natural resources.
- Advance government-to-government relationships with Indian Nations and honor commitments to Insular areas.
- Provide a scientific foundation for decision-making.

- Build a 21<sup>st</sup> Century Department of the Interior.

UNITED STATES DEPARTMENT OF THE INTERIOR

### STRATEGIC PLAN FOR FISCAL YEARS 2011-2016



These combined mission areas contain 23 goals, including five priority goals. Each goal has one or more strategies that define how the Department plans to accomplish results. The Plan identifies performance measures for each strategy that tie program contributions to the goals for each mission area.

The Strategic Plan outlines a set of goals and values for the 21<sup>st</sup> Century Interior Department that will guide efforts to recruit, train, and retain a highly motivated and skilled workforce; optimize youth engagement through a diverse array of programs and places; sustainably manage the Department's programs and facilities; and serve as a model for effective and efficient management. Key to progressive management is a culture of inclusiveness in which the very best ideas, diverse viewpoints, and most talented individuals are brought to the forefront. Creating a strong culture of diversity and inclusion at Interior will facilitate increased engagement from all employees and ensure an optimal return on investment.

The 21<sup>st</sup> Century Interior also incorporates a strong commitment to sustainable practices to more effectively use resources and protect the environment in the context of operating, maintaining, and

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constructing facilities; managing fleet and equipment; implementing approaches to reduce travel; and using renewable and energy efficient solutions to the greatest possible extent.

For the second year, Interior has identified five priority goals. The top priorities for 2012 remain consistent with last year allowing the Department to build upon the tangible near-term goals set in 2011. These five priority goals define areas of notable reform outlined by the Secretary with a particular emphasis on achieving results in the near-term, including renewable energy, sustainable water management and conservation, climate change adaptation, youth stewardship and engagement, and efforts to improve the safety of Indian communities. These priorities are fully supported in the 2012 budget.

## CUTTING WASTE AND ACHIEVING EFFICIENCIES

The challenging economic situation makes it incumbent upon Federal agencies to bear in mind their role as stewards of taxpayer dollars with responsibility to ensure a high return on spending, and intolerance for waste and abuse.

Over the years, Interior has kept pace with inflationary increases and programmatic requirements by streamlining and improving the efficiency and effectiveness of programs. The Department is a mission-focused organization. It works hard to leverage resources with State, local, tribal, and non-profit organizations through partnerships and cost-sharing arrangements. Departmental programs use strategic and workforce planning, employee development programs, and other business process improvement strategies to increase the effectiveness of management and operations.

Interior employs practices such as shared services, facility co-location, centralized acquisition, recycling and reuse, equipment life-cycle management, and many other administrative business management practices. Nonetheless, there remain opportunities where innovative ideas could identify potential additional savings and efficiencies.

The Administration has challenged Federal agencies to end ineffective programs. In formulating the 2012 budget, the Department's leadership conducted a comprehensive review of agency priorities, trust responsibilities and commitments, and the need

for inherently governmental functions. The 2012 budget includes more than \$494 million in program reductions which include proposals to eliminate programs that either lack effectiveness, are out of date, do not serve a broad audience, or could be, or are already provided by someone else.

## ACHIEVING ADMINISTRATIVE SAVINGS

The 2012 budget also reflects two years of targeted administrative cost savings efforts. The 2012 request incorporates \$62.0 million of Department-wide savings measures proposed in the 2011 request, \$17.4 million of bureau-specific efficiencies, and nearly \$100 million in additional reductions as part of the Administration's government-wide administrative cost savings effort.

Interior's savings strategy began with the 2011 President's budget, and with the proposed implementation of Department-wide policy changes in travel and relocation, strategic sourcing, and information technology consolidation. The Department continues to support these reductions and includes these savings in the 2012 request.

The 2012 budget also identifies another \$99.4 million in reductions as part of the Accountable Government Initiative. These reductions build upon the efficiencies in travel, relocation, and acquisition savings identified in 2011 and target efficiencies in high-cost areas such as supplies, travel, and advisory services. These administrative cuts equate to an 11 percent decrease in spending among the top five administrative object class categories—travel of people, transportation of things, printing, advisory services, and supplies.

**Travel and Relocation** – Interior will reduce expenditures for travel and relocation through improved management at the program level and re-examination of Departmental policies. This will impact how Interior manages employee travel, conferences, and permanent change of station relocations. Technological advancements have created smart alternatives to travel for long-distance meetings—teleconferencing, video conferencing, shared websites, and web conferencing—all enabling real-time communication and document sharing. Interior will leverage its current inventory of video conferencing facilities by making them available across bureaus to maximize use. Interior will issue travel ceilings against which

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managers can track travel spending throughout the year and reinforce smarter travel practices that emphasize highest priority mission travel.

An Office of Inspector General report has identified opportunities to improve Interior's management of permanent change of duty station relocations. The Inspector General finding suggests a need for improved policies, practices, oversight, and reporting in multiple areas, including travel authorizations, payments, and standard requirements. The Department is integrating these services to better manage and maintain accountability. Additionally, Interior is evaluating potential improvements in voucher and payment processing and oversight.

**Strategic Sourcing** – In developing the Department's Acquisition Improvement Plan, expanded use of strategic sourcing was identified as the most promising method to achieve efficiencies and save on procurement costs. Interior's 2011 request identified \$30.0 million in reductions associated with these savings allocated among the bureaus and programs according to average acquisition costs for supplies, materials, and equipment.

Strategic sourcing is the practice of coordinating and consolidating large acquisition needs across the Department to negotiate lower costs. Interior has experience with this approach. Contracts have been in place for a number of years to purchase information technology hardware and software through consolidated contracts used by all bureaus and offices to leverage the Department's purchasing power. Using these contracts has achieved more effective deployment of information technology as purchases are consistent with a set of standards, greater efficiency is achieved with the use of consistent technology, and cost savings are realized through economies of scale.

The Department is developing shared contracts to use Interior-wide for the acquisition of commodities, supplies, and services. In 2011, Interior is implementing Department-wide strategic sourcing initiatives for office supplies and copier-based multifunctional devices. Targeted areas for future strategic sourcing initiatives include: furniture, uniforms, wireless communications, and contract closeout services.

Efficiency savings from expanded strategic sourcing is one component of a comprehensive plan to improve acquisition practices throughout Interior. The Department's Acquisition Improvement Plan recommends centralized purchasing to reduce labor costs

and shipping expenses, reducing costs with quantity discounts, more efficient processing of purchases including the use of electronic procurement tools and techniques, charge card processing, undelivered order management, prompt pay, and improving the capability of the acquisition workforce.

The 2012 budget includes \$5.0 million in the Department's Working Capital Fund appropriation to implement significant change in the agency's approach to acquisition. The funding will allow Interior to address identified skill gaps in acquisition staffing, conduct training of acquisition professionals and project managers to equip them with the skills needed to provide oversight of multi-million dollar contracts, and pursue options to maximize the effectiveness of an expanded strategic sourcing strategy. The Department is pursuing strategic sourcing centers of excellence with specialists in certain types of procurement, strategically located to implement master contracts. This approach of developing dedicated acquisition expertise would leverage Interior's acquisition capabilities and better position the Department to implement an aggressive strategic sourcing strategy.

**Information Technology Consolidation** – Through careful planning, strategic investments, and unprecedented cooperation, significant opportunity exists to realize efficiencies in the Department's information technology infrastructure, including energy and cost savings. In 2010, bureau and office Chief Information Officers worked to evaluate options to reduce duplication and parallel investment in information technology infrastructure across Interior. The objective was to identify immediate and long-term solutions to realize efficiencies and innovations for cost savings and avoidance across the Department's information technology environment. The team's purpose was to recommend innovative and creative actions to Interior's leadership to optimize and reduce the cost of the Department's information technology infrastructure and operations, while improving customer service and performance. At the conclusion of this effort the ideas were refined into five primary focus areas: risk-based information security services, infrastructure consolidation, unified messaging, workstation ratio reduction, and radio site consolidation. This analysis is being used to identify near-term savings and contribute to a strategy to achieve long-term savings that is now part of the Administration's reform strategy for information technology government-wide.

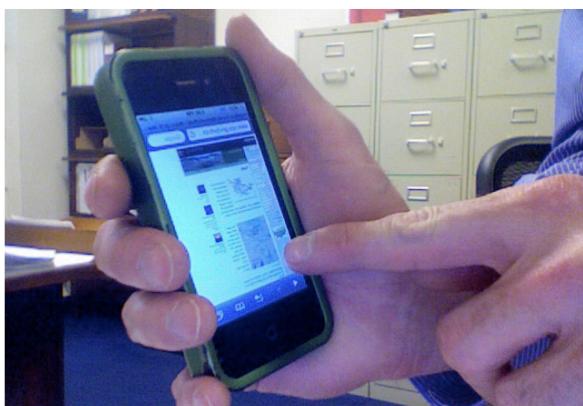
On a parallel track, the Department reviewed its

information technology governance construct and developed recommendations to streamline management and decisionmaking for the information technology portfolio. Following OMB's lead in developing a review process for troubled and high-visibility systems, Interior created the iStat process to carry out reviews and information technology project improvement efforts. As the various information technology management activities progressed in development, the Department recognized many synergies and opportunities for integration. This then led to the development of the Information Technology Transformation initiative, which is discussed in greater detail below.

## TRANSFORMING INFORMATION TECHNOLOGY

One of the most significant undertakings to improve management effectiveness within the Department is the Information Technology Transformation initiative. This will implement a new business model for a consolidated delivery of information technology services to the Interior's programs and employees and realize energy and cost savings.

On December 14, 2010, Secretary Salazar signed a Secretarial Order, Information Technology Management Functions and Establishment of Funding Authorities, to initiate the consolidation process and to mandate that the Department will have only one Chief Information Officer, instead of the previous construct, where each bureau and major office had its own Chief Information Officer. Under the Order, the Departmental Chief Information Officer assumes ownership of all Departmental information technology infrastructure assets.



Bureaus will maintain responsibility for managing and operating mission specific applications. Underlying infrastructure, such as networks and equipment, and compliance activities will be managed by the Chief Information Officer and transformed into a Department-wide standardized and efficient catalog of business and information technology services. The role of the bureau and office Chief Information Officer will transition to that of an advisor to the bureau director on the strategic applications of technology to meet mission requirements, with the positions renamed as Assistant Directors of Information Resources. These Assistant Directors will also oversee the orderly migration of information technology assets to the new structure.

The new business model will minimize redundancies, streamline information technology services, and enhance customer service while lowering the cost of delivering information technology services to the Department. Attention will be focused on better understanding the business needs of the programs and employees so that services can be delivered in an agile, reliable, and cost effective manner. There will be one e-mail system for the entire Department with enhanced features and a new consolidated customer care center. Interior employees and managers will also have the flexibility to choose those mobile technologies that best support their ability to execute their respective missions. The ultimate goal of the Information Technology Transformation initiative is two-fold develop Interior's information technology services into a 21<sup>st</sup> Century model to modernize mission support and in doing so, achieve long-term efficiencies and savings.

The Information Technology Transformation initiative is projected to save \$100 million each year from 2016 to 2020, for a cumulative total of \$500 million in reduced information technology costs. Funding to achieve the infrastructure consolidations and service delivery reorganization will be offset from savings resulting from the elimination of redundant systems and functions and closing unneeded facilities. The Department currently hosts 210 data centers, with a goal of reducing these to 115 by the end of 2015. This improvement in efficiency and effectiveness directly supports the President's emphasis on fiscal austerity, and it will allow Interior to preserve funds to support valuable mission and program functions and resources. Savings as a result of the Information Technology Transformation initiative will be funneled back to investments and services that help bureau programs support mission functions.

By June 14, 2011, the Chief Information Officer is required to present the Secretary a detailed high-level execution plan for implementing the new structure and migrating information technology assets under the Chief Information Officer. The Office of the Chief Information Officer is implementing a communications plan to ensure that this is a transparent and collaborative effort.

After the project is complete in 2016, Interior will direct continued savings to information technology security needs, radio communications, and the modernization of aging mission applications, some of which are decades old. These investments will directly advance mission requirements and improve services to citizens by promoting interoperability and information sharing both within the Department and across government through the increased use of web-enabled technologies. Greater standardization, adoption of common enterprise services, and simplification of business processes across common lines of business will be key factors in the modernization.

In support of this effort, the 2012 budget includes \$5.0 million within the Department's Working Capital Fund appropriation to implement significant change in the agency's approach to information technology infrastructure management. This funding will be used to implement the consolidation effort to achieve long-term improvements in the information technology infrastructure and better management of information technology Department-wide.

## BUDGETING FOR FIXED COSTS

Interior's annual request for fixed costs is limited to a set of costs based on an agreement with the Interior Appropriations Subcommittee. Fully budgeting for these costs in the request provides a fuller description of their programmatic impact.

The 2012 budget request fully funds \$30.5 million of increases in non-discretionary fixed costs. These costs include space rental and associated security charges; workers compensation and unemployment compensation; and centralized administrative and business systems, services, and programs financed through the Working Capital Fund. The request includes a 6.8 percent increase in health benefits, a decrease for one less pay day, and an increase for the third installment of the non-foreign area / locality pay adjustment, however, no pay raise adjustment is included. The Department does not include within-grade increases in its fixed costs, nor increased costs

related to postage, fuel, or other consumables. The majority of the increase in 2012, \$22.5 million, is attributable to rent increases in the Department's GSA-leased space.

On November 29, 2010, the President proposed a two-year freeze in the pay of civilian Federal employees. The Congress responded to his proposal by including the freeze in the Continuing Appropriations and Surface Transportation Extensions Act, 2011. The Act freezes statutory pay adjustments for all executive branch pay schedules for a two-year period from January 1, 2011, through December 31, 2012. It also generally prohibits executive departments and agencies from providing base salary increases to senior executives or senior level employees, including performance-based increases.

## LOOKING FORWARD

In 2010 Interior received the 14<sup>th</sup> consecutive favorable financial audit opinion from KPMG LLP, an independent certified public accounting firm and the Department's external auditor. In announcing the audit opinion, Assistant Secretary Rhea Suh who serves as the Department's Chief Financial Officer, said "This audit opinion is a reflection of the Department's continuing commitment to sound financial management and success. It also reflects our commitment to significant reforms to improve efficiency and services across the board."

Interior recognizes the likelihood of continuing shrinking budgets and proposes investments in the 2012 budget to lay a foundation for comprehensive innovations that could yield savings in future years. The 2012 budget for the Working Capital Fund appropriation includes \$5.0 million to conduct a thorough analysis of opportunities for long-term savings by thinking innovatively across the Department to look in-depth at ideas like the consolidation of services, facilities, and infrastructure. The Department recognizes that to continue to deliver Interior's core missions in a constrained economy will require innovation and efficiency. Interior proposes to take a corporate approach in 2012 to identify operating efficiencies and potential savings. Interior will take a comprehensive look at the Department's infrastructure and supporting services to identify ways to leverage resources to work smarter and more efficiently. The 2012 budget also includes a small investment of \$250,000 to support rigorous program evaluations to better assess programmatic performance and mission relevance

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as Interior continues to assess priorities against resources in the coming years.

As part of the Administration's management challenge, Interior has also begun to implement management actions with the potential for longer-term efficiencies and savings. The Administration has set a target to reduce spending government-wide on real property. The Department has been working with bureau space, leasing, and asset management staff to identify and implement actions that reduce the footprint of Interior assets. In this coordinated effort, the Department expects to find real property cost savings that result from actions such as disposing of excess, inactive, under-utilized, and non-utilized assets; consolidating leased space; taking advantage of telecommuting and hotelling; implementing new policies that prohibit the acquisition of land that contains assets in poor condition; moving personnel into owned space from leased space; reducing space provided to contractors; and establishing more restrictive Interior-wide space standards.

As part of its Accountable Government Initiative, the Administration is targeting one of the biggest sources of waste and inefficiency – improper payments made to individuals, organizations, and contractors. Interior's improper payments are below risk susceptible thresholds of 2.5 percent of annual program or activity payments of \$10 million, and represent a very small portion of the \$111 billion in Federal improper payments made annually. Whether the errors resulted from inadequate record keeping, inaccurate eligibility determinations, inadvertent processing errors, the lack of timely and reliable information to confirm payment accuracy or fraud, payment errors are unacceptable. The Department has developed an action plan to prioritize payment recapture activities and establish a framework to identify specific targets for recapture audits. In 2011, Interior will have a recapture audit program in place and will assess the cost-effectiveness of the program in identifying improper payments.

Another important component of the Department's strategy for improved management, accountability, and transparency is the Financial and Business Management System. Interior has been deploying an integrated business system to its nine bureaus and

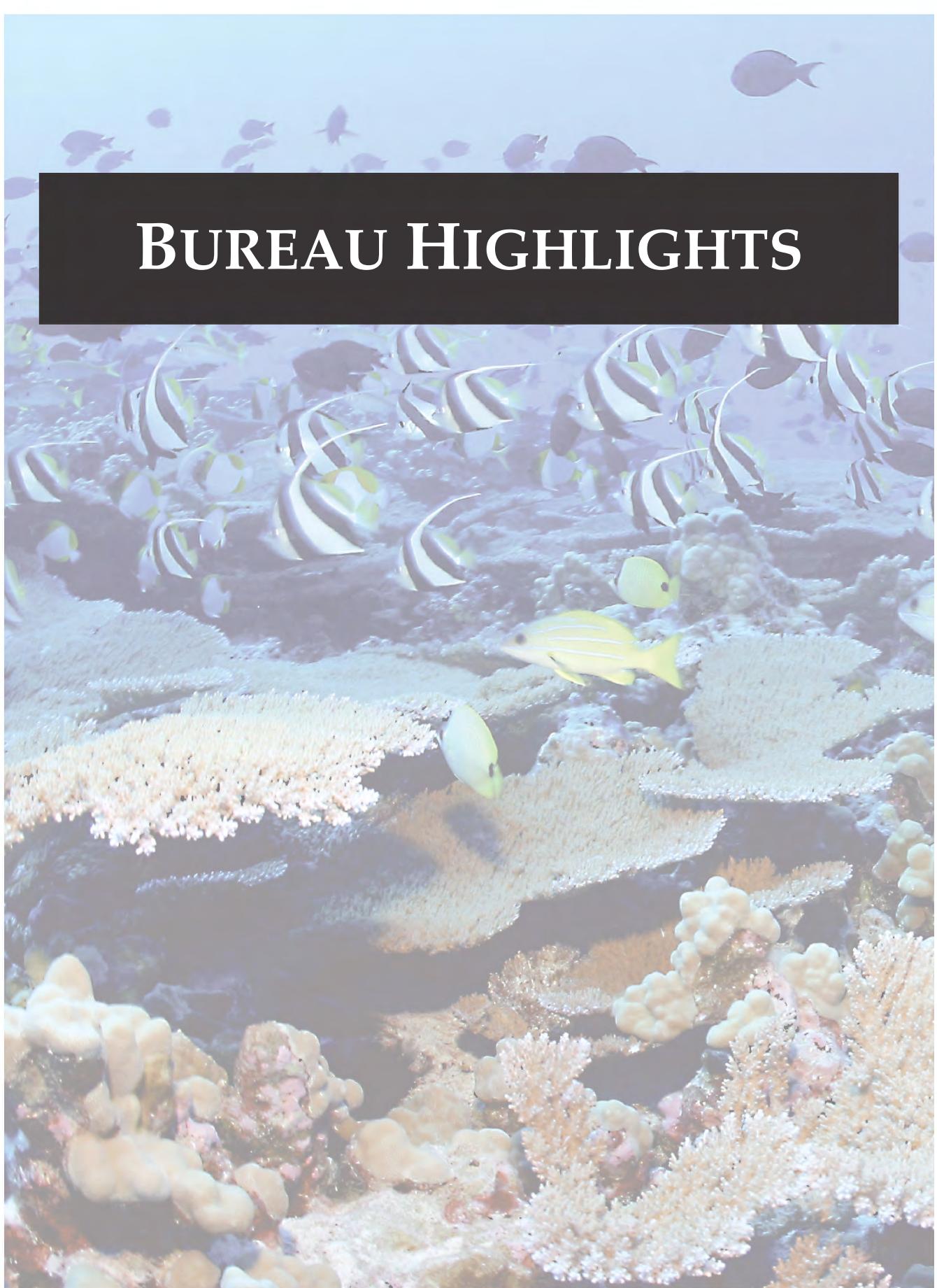
offices. Today there are four bureaus operating the system for core financial, acquisition, personal property, fleet management, real property, travel, financial assistance, enterprise management information and reporting in one, single integrated system. The system has delivered on promised improvements in functionality, consistency in reporting, standardized internal controls and processes, and improved data availability. The system has successfully supported the Department's clean financial audits, allowed bureaus and offices to conduct quarterly closings and reconciliations, and allowed Interior to terminate the operation of legacy systems.

During the summer of 2010, the Department in coordination with OMB, conducted an in-depth review of the system – evaluating risks, complexities, and costs – and as a result modified the deployment schedule. The 2012 budget reflects these modifications with a reduction in the request for the FBMS project. The budget includes \$58.1 million, a reduction of \$22.3 million from the 2010 Enacted/2011 CR level including administrative savings. The 2012 budget reflects the elimination of the budget formulation module from the project scope and deferring acquisition and grants functionality from the deployments to the Bureau of Indian Affairs and the National Park Service planned for completion in 2013. The deployment to the Bureau of Reclamation is deferred to 2014, principally to reduce risk in 2013.





# BUREAU HIGHLIGHTS

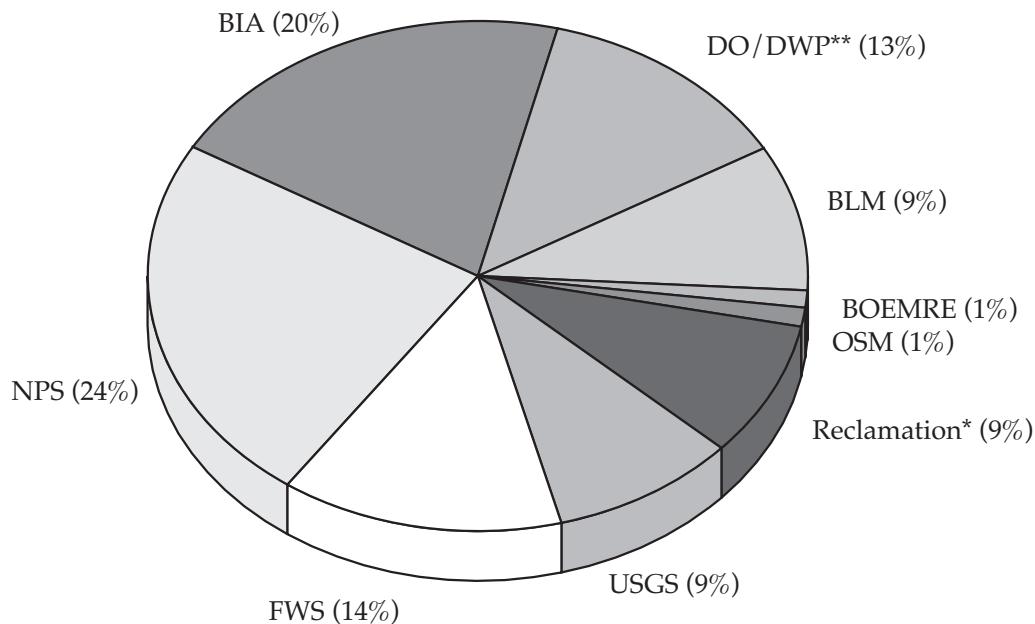




# BUREAU HIGHLIGHTS

This section summarizes the budget requests of the bureaus and offices of the Department, comparing the 2012 request to the 2010 enacted/2011 CR level. The graph below and the tables on the following pages show the allocation of the proposed 2012 budget authority to the bureaus and offices. Additional details on the Department's budget authority can be found in Appendix A.

## FISCAL YEAR 2012 CURRENT APPROPRIATIONS



BLM	1,129	Reclamation*	1,051	NPS	2,892
BOEMRE	133	USGS	1,118	BIA	2,501
OSM	146	FWS	1,695	DO / DWP**	1,562

\* Includes Central Utah Project Completion Act

\*\* Includes OS, OIA, SOL, OIG, OST, Wildland Fire, HAZMAT, NRDAR, and WCF

# BUDGET AUTHORITY BY BUREAU

(in millions of dollars)

<u>Bureau</u>	2010			
	2010 Actual	Enacted/ 2011 CR	2012 Request	Change
<i>Current Budget Authority</i>				
Bureau of Land Management.....	1,169	1,141	1,129	-12
Bureau of Ocean Energy Management, Regulation and Enforcement.....	190	181	133	-48
Office of Surface Mining Reclamation and Enforcement.....	163	163	146	-17
U.S. Geological Survey.....	1,112	1,112	1,118	+6
Fish and Wildlife Service .....	1,648	1,647	1,695	+48
National Park Service .....	2,755	2,754	2,892	+138
Bureau of Indian Affairs.....	2,613	2,620	2,501	-119
Departmental Offices				
Office of the Secretary - Departmental Operations.....	139	119	284	+165
Insular Affairs.....	103	103	97	-5
Office of the Solicitor .....	65	65	68	+3
Office of Inspector General.....	49	49	49	+1
Office of the Special Trustee for American Indians .....	177	177	152	-25
Subtotal, Departmental Offices .....	532	512	651	+139
Department-wide Programs				
Central Hazardous Materials.....	10	10	10	0
Wildland Fire Management.....	797	795	730	-65
FLAME Wildfire Suppression Reserve Account .....	61	61	92	+31
Natural Resource Damage Assessment and Restoration.	6	6	6	0
Working Capital Fund.....	86	86	73	-13
Subtotal, Department-wide Programs .....	960	958	911	-47
Bureau of Reclamation .....	1,098	1,088	1,018	-69
Central Utah Project Completion Act .....	42	42	33	-9
<b>Total Current Budget Authority .....</b>	<b>12,282</b>	<b>12,217</b>	<b>12,227</b>	<b>+9</b>
M-Savers (net receipt sharing).....	-45	-38	-42	-4
Mandatory Current Accounts .....	-70	-59	-57	+2
Discretionary Receipts Offsets .....	-37	-56	-69	-13
<b>Total Net Discretionary .....</b>	<b>12,130</b>	<b>12,064</b>	<b>12,058</b>	<b>-6</b>
NPS Contract Authority Rescission .....	30	0	0	0
Net Receipts Sharing .....	45	0	0	0
Mining Law Administration Receipts .....	-20	0	0	0
Palau Compact Extension.....	-12	-12	0	+12
Compact of Free Association - Palau .....	-2	-2	0	+2
Bureau of Reclamation CVPRF Offset .....	0	-13	0	+13
Transfer from OMB to NPS for Spectrum .....	-6	0	0	0
Transfer from Recreation Fees for Park Partnerships.....	-10	-10	0	10
Utah Mitigation Commission Special Fund.....	10	0	0	0
CUPCA Contributions from WAPA .....	-8	0	0	0
Adjustment - Annualized CR to 2011 Request .....	0	109	0	-109
Adjustment - Annualized CR to 2011 Request .....	0	-50	0	+50
<b>Total Net Discretionary Budget Authority [OMB/MAX] .....</b>	<b>12,158</b>	<b>12,086</b>	<b>12,058</b>	<b>-28</b>

## BUDGET AUTHORITY BY BUREAU

(in millions of dollars)

<u>Bureau</u>	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	2012 Change
<b>Total Budget Authority</b>				
Bureau of Land Management.....	1,335	1,289	1,232	-57
Bureau of Ocean Energy Management, Regulation and Enforcement.....	440	181	133	-48
Office of Surface Mining Reclamation and Enforcement.....	705	832	685	-147
U.S. Geological Survey .....	1,114	1,113	1,119	+6
Fish and Wildlife Service .....	2,760	2,627	2,692	+65
National Park Service .....	3,163	3,150	3,286	+136
Bureau of Indian Affairs.....	2,732	2,938	2,607	-332
Departmental Offices				
Office of the Secretary - Departmental Operations.....	1,935	3,900	2,367	-1,533
Insular Affairs.....	490	451	474	+24
Office of the Solicitor .....	65	65	68	+3
Office of Inspector General.....	49	49	49	+1
Office of the Special Trustee for American Indians .....	659	534	510	-25
National Indian Gaming Commission.....	13	17	17	0
Subtotal, Departmental Offices .....	<u>3,210</u>	<u>5,016</u>	<u>3,486</u>	<u>-1,530</u>
Department-wide Programs				
Payment in Lieu of Taxes.....	358	369	380	+11
Central Hazardous Materials.....	10	10	10	0
Wildland Fire Management.....	797	795	730	-65
FLAME Wildfire Suppression Reserve Account .....	61	61	92	+31
Natural Resource Damage Assessment & Restoration ....	274	63	63	0
Working Capital Fund.....	86	86	73	-13
Subtotal, Department-wide Programs .....	<u>1,586</u>	<u>1,385</u>	<u>1,348</u>	<u>-36</u>
Bureau of Reclamation .....	1,201	1,247	1,213	-34
Central Utah Project Completion Act .....	50	42	33	-9
<b>Total Budget Authority</b> .....	<b>18,296</b>	<b>19,820</b>	<b>17,833</b>	<b>-1,986</b>

Note: Numbers may not add due to rounding. Includes current and permanent authority. Includes enacted transfers.



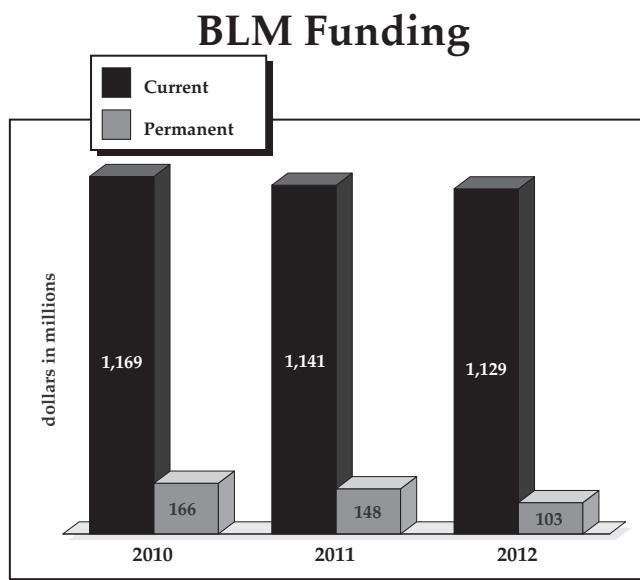


# BUREAU OF LAND MANAGEMENT

**Mission** – The Bureau of Land Management's mission is to sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations.

**Budget Overview** – The 2012 request is \$1.1 billion, a decrease of \$12.0 million below the 2010 Enacted/2011 CR level, and supports 10,609 full-time equivalent staff. The budget proposes \$933.8 million for Management of Lands and Resources and \$112.0 million for Oregon and California Grant Lands, BLM's two operating accounts. This represents a total decrease of \$25.3 million for these two accounts. The net decrease below the 2010 Enacted/2011 CR level is primarily a function of administrative efficiency savings and a proposed shift in the funding for energy and minerals inspection activities from discretionary appropriations to industry fees. The 2012 President's budget proposes program increases for high priority Administration and Secretarial initiatives, which include America's Great Outdoors, New Energy Frontier, the Secretary's Western Oregon Strategy, and sage grouse habitat conservation and restoration.

**America's Great Outdoors** – As the steward of a broad swath of America's abundant and rich natural and cultural heritage, BLM will play a vital role in advancing the President's conservation initiative to reconnect Americans to the outdoors. This includes \$1.0 billion in the 2012 budget for BLM operations. The 2012 budget includes \$29.9 million in funding increases for recreation, cultural resources, and the National Landscape Conservation System that will enable BLM to expand and improve opportunities for recreation, education, and scientific activities while enhancing the conservation and protection of BLM-managed lands and resources. Among other things, the \$7.0 million non-NLCS increase in recreation resources management will support the development and implementation of travel management plans to improve the management of off-highway vehicle use and also support the expansion of visitor services and interpretive activities at key recreational sites. The \$7.9 million non-NLCS increase in cultural resources management will enhance the capacity of that program to preserve and protect cultural, historical and paleontological resources.



The BLM will accelerate progress in conducting surveys; stabilizing and restoring sites; expanding interpretive activities; and increasing outreach and partnership-building efforts to promote public investment in the management of the Nation's cultural resources. The \$15.0 million increase for the NLCS will address a range of priorities in these special units, including implementing resource management plans and conducting natural resource assessment, inventory, monitoring, and mitigation activities. This funding increase is allocated to benefit all categories of the NLCS.

**New Energy Frontier Initiative** – The BLM will continue to promote and facilitate the development of renewable energy on public lands. The 2012 budget for renewable energy includes an increase of \$3.0 million to focus on the environmental elements of renewable energy project proposals. The BLM will use the increased funding to prepare regional planning studies and environmental reviews of potential wind energy zones in Nevada and Oregon. These studies will be completed in addition to those currently under development in New Mexico, California, and Wyoming. These analyses will help BLM identify future renewable energy zones and avoid areas with potential resource conflicts.

## BUREAU OF LAND MANAGEMENT FACTS

- **Founded in 1946 through consolidation of the General Land Office and U.S. Grazing Service.**
- **Administers more land than any other Federal agency, managing and conserving resources for multiple use and sustained yield on approximately 245 million acres of public land, including the following: energy and mineral development of both conventional and renewable resources; timber production; domestic livestock grazing; outdoor recreation; rights-of-way; fish and wildlife conservation; and conservation of natural, historical, cultural, and other resources on public lands.**
- **Manages 380 recreation sites, 21 national conservation areas and similarly designated areas and 16 national monuments.**
- **Responsible for onshore subsurface mineral estate development on 700 million acres.**
- **Manages the National Landscape Conservation System.**
- **Manages 818 geothermal leases, generating approximately 1,300 megawatts of energy, or more than 40 percent of geothermal energy capacity in the U. S., enough to power about 390,000 homes.**

The 2012 budget request also maintains BLM's capacity for effectively managing conventional energy development on public lands, but reflects changes in the sources of funding for BLM's energy programs. An increase of \$13.0 million is requested for processing applications for permits to drill oil and gas on the public lands. This appropriated amount will offset a projected reduction in revenue from APD fees. The budget also proposes to shift a significant share of the cost of oil and gas inspection activities from discretionary appropriations to industry fees, for a savings of \$38.0 million in requested funding. An additional \$3.0 million reduction is made possible by the completion of studies conducted pursuant to the Energy Policy and Conservation Act of 2000. The New Energy Frontier initiative also includes an increase of \$2.0 million in the Soil, Water, and Air Management program to improve air quality monitoring associated with energy production on the public lands. This increase will help BLM ensure that energy development activities comply with NEPA and Clean Air Act requirements and aid BLM in minimizing or addressing potential litigation issues.

The Administration believes that American taxpayers should get a fair return on the development of energy resources on their public lands. A 2008 Government Accountability Office report suggests that taxpayers could be getting a better return from Federal oil and gas resources, at least in some areas. In 2011, Interior will take steps to implement reforms, including the completion of a rulemaking to adjust onshore royalty rates. The budget assumes these reforms will increase Federal oil and gas revenues by more than \$900 million over the next ten years.

**Cooperative Landscape Conservation** – The 2012 BLM budget request includes an increase of \$2.5 million to support the work of BLM resource managers through

Landscape Conservation Cooperatives. Funding will enable managers to conduct eco-regional assessments to provide a better understanding of stressors adversely impacting the health of BLM lands and the larger western landscapes of which they are a part and implement various land health treatments to help combat the effects of these stressors. Although not a part of the initiative, the budget includes a related increase of \$2.0 million to allow BLM to implement broad-scale sage grouse habitat monitoring and assessment to ascertain the effectiveness of habitat management actions as well as the effect of land use authorizations.

**Youth in the Great Outdoors** – The Secretary's efforts to engage, educate, and employ the next generation of land stewards in natural and cultural resource issues continue into 2012. The BLM currently sponsors youth and family-oriented programs to educate the Nation's youth about the public lands and natural resource and cultural resource issues, as well as internships and scholarships, to better assure the future protection of these resources. In 2012, BLM will direct \$1.0 million in base funding to support the youth initiative through a new public-private partnership program with the National Fish and Wildlife Foundation. Specifically, BLM will work with NFWF to support projects that leverage private sector contributions to engage and employ youth in conservation activities.

**Secretary's Western Oregon Strategy** – The budget includes a program increase of \$3.0 million in the Oregon and California Grant Lands account to increase the volume of timber offered for sale; support key resource management planning objectives; increase surveying for rare, uncommon, or endangered species; provide for landscape-level timber sale project environmental analysis; and facilitate joint development and implementation of a revised recovery plan for the northern spotted owl.

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**Other Program Increases** – The budget includes a program increase of \$12.0 million in the Wild Horse and Burro program for operational costs and fertility control. The request will enable BLM to implement the Secretary's proposed management strategy for the program, which has been modified since it was initially rolled-out by the Secretary last year. The strategy focuses more on fertility control and moves away from the concept of federally-funded wild horse preserves. The request also includes an increase of \$4.0 million in the Abandoned Mine Land program. The BLM will use some of the increase at Red Devil Mine, Alaska to conduct further CERCLA studies, evaluate cleanup options, and for possible cleanup activities. The Bureau is working closely with the U.S. Environmental Protection Agency and the Alaska Department of Environmental Conservation to evaluate the site to determine the best cleanup options.

**Program Reductions** – Difficult choices were made during formulation of the 2012 budget in order to support the initiatives and priorities described above. The 2012 BLM budget reduces funding for lower priority programs, projects, and activities. The budget reduces funding for the Alaska Conveyance program by \$17.0 million. Interior will explore opportunities to further streamline the program. The budget proposes an \$8.2 million reduction to the Resource Management Planning program and will focus efforts on completing ongoing plans. A reduction of \$600,000 reflects the discontinuation of funding for congressional earmarks. The Management of Lands and Resources account includes an additional \$3.3 million in base funding reductions comprised of smaller reductions in several programs. The BLM budget also includes a reduction of \$3.5 million for information technology that is in addition to the administrative efficiencies savings enumerated below.

The request also includes program reductions of \$2.4 million and \$2.0 million in the Coal Management and Other Mineral Resources programs, respectively, that reflects a shift of inspection and enforcement costs from discretionary appropriations to cost recovery. The budget assumes that cost recovery regulations will be implemented by the beginning of 2012 to maintain inspection capability at current levels.

**Construction** – The 2012 budget request includes \$3.6 million for BLM's construction program, a reduction of \$5.1 million below the 2010 Enacted/2011 CR level. Of the request, \$2.5 million will fund 11 high priority projects in six States, and \$1.1 million will fund 64 asset disposal actions.

**Land Acquisition** – The 2012 BLM budget proposes \$50.0 million for Land Acquisition, an increase of \$20.4 million

above the 2010 Enacted/2011 CR level. The request for acquisition projects is \$46.6 million for 19 high priority line item acquisition projects in eight States. Emergencies and Hardships are funded at \$1.5 million. A total of \$1.9 million is requested for Acquisition Management.

## Legislative Proposals

**Oil and Gas** – The Administration will submit legislation to repeal portions of Section 365 of the Energy Policy Act of 2005, beginning in 2013. Section 365 diverts mineral leasing receipts from the Treasury to a BLM Permit Processing Improvement Fund and also prohibits BLM from establishing cost recovery fees for processing applications for oil and gas permits to drill. Upon repeal of Section 365, BLM will promulgate regulations to establish fees for applications for permits to drill.

The 2012 budget also assumes a legislative proposal to establish a new fee on non-producing Federal oil and gas leases. This is part of a broader Administration initiative to encourage energy development on lands already leased for development. A new \$4 per acre fee on non-producing Federal leases on Federal lands and waters would provide a financial incentive for oil and gas companies to either put their leases into production or relinquish them so that the tracts can be leased to and developed by new parties. The proposed \$4 per acre fee would apply to all new leases and would be indexed annually.

**Hardrock Mining** – The budget assumes a legislative proposal to reform hardrock mining on both public and private lands by addressing abandoned mine land hazards and providing a better return to the taxpayer from hardrock production on Federal lands.

The first component of this proposal addresses abandoned hardrock mines across the Country through a new AML fee on hardrock production. Just as the coal industry is held responsible for abandoned coal sites, the Administration proposes to hold the hardrock mining industry responsible for abandoned hardrock mines. The legislative proposal will levy an AML fee on uranium and metallic mines on both public and private lands. The proposed AML fee on the production of hardrock minerals will be charged on the volume of material displaced after January 1, 2012. The fee will be collected by OSM. The receipts will be distributed by BLM through a competitive grant program to restore the most hazardous hardrock AML sites using an advisory council comprised of representatives of Federal agencies, States, Tribes, and non-government organizations. The advisory council will recommend objective criteria to rank AML projects to allocate funds for remediation to the sites with the most urgent environmental and safety hazards. The

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proposed hardrock AML fee and reclamation program would operate in parallel to the coal AML reclamation program, as two parts of a larger proposal to ensure the Nation's most dangerous abandoned coal and hardrock AML sites are addressed by the industries that created the problems.

The legislative proposal institutes a leasing process under the Mineral Leasing Act of 1920 for certain minerals—gold, silver, lead, zinc, copper, uranium, and molybdenum—currently covered by the General Mining Law of 1872. After enactment, mining for these metals on Federal lands would be governed by the new leasing process and subject to annual rental payments and a royalty of not less than five percent of gross proceeds. Half of the receipts would be distributed to the States in which the leases are located and the remaining half would be deposited in the Treasury. Existing mining claims would be exempt from the change to a leasing system, but would be subject to increases in the annual maintenance fees under the General Mining Law of 1872. However, holders of existing mining claims for these minerals could voluntarily convert their claims to leases. The Office of Natural Resources Revenue will collect, account for, and disburse the hardrock royalty receipts.

**Federal Land Transaction Facilitation Act** – The budget proposes eliminating the Act's July 2011 sunset date and allowing lands identified as suitable for disposal in recent land use plans to be sold using the FLTFA authority. The FLTFA sales revenues would continue to be used to fund the acquisition of environmentally sensitive lands and the administrative costs associated with conducting sales.

**Fixed Costs** – The request funds \$3.3 million for fixed costs.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, BLM's budget includes \$11.5 million in savings in 2012 against actual 2010 expenditures in the following activities: \$5.5 million for travel and transportation of persons, \$3.2 million for advisory and assistance services, and \$2.8 million for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$9.1 million in travel and relocation, information technology, and strategic sourcing and bureau-specific efficiencies totaling \$1.5 million.

**SUMMARY OF BUREAU APPROPRIATIONS**  
 (all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted / 2011 CR		2012 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Appropriations						
Management of Lands and Resources .....	5,546	959,571	5,552	933,779	+6	-25,792
Construction .....	18	8,626	8	3,576	-10	-5,050
Land Acquisition .....	13	29,650	13	50,000	0	+20,350
Oregon and California Grant Lands.....	841	111,557	850	112,043	+9	+486
Range Improvements .....	42	10,000	42	10,000	0	0
Service Charges, Deposits and Forfeitures (Indefinite)	203	27,725	240	32,125	+37	+4,400
Minus SCDF Offset .....	0	-27,725	0	-32,125	0	-4,400
Miscellaneous Trust Funds (Indefinite).....	86	21,700	86	19,700	0	-2,000
Subtotal, Appropriations.....	6,749	1,141,104	6,791	1,129,098	+42	-12,006
Permanents and Trusts						
Miscellaneous Trust Funds .....	10	1,800	10	1,800	0	0
Miscellaneous Permanent Payments.....	17	89,489	17	44,538	0	-44,951
Permanent Operating Funds						
Operations and Maintenance of Quarters.....	1	630	1	660	0	+30
Recreation Fee Permanent Appropriation .....	116	17,100	116	17,500	0	+400
Forest Ecosystems Health and Recovery.....	58	3,763	58	3,586	0	-177
Expenses, Road Maintenance Deposits .....	5	2,000	5	2,000	0	0
Timber Sale Pipeline Restoration Fund.....	99	4,340	99	1,640	0	-2,700
Southern Nevada Land Sales .....	47	361	47	1,700	0	+1,339
Southern Nevada Earnings on Investments.....	5	2,000	5	2,000	0	0
Lincoln County Land Sales.....	4	153	4	170	0	+17
Interest, Lincoln County Land Sales Act .....	0	100	0	100	0	0
Owyhee Land Acquisition Account .....	0	1,920	0	0	0	-1,920
Silver Saddle Endowment .....	0	0	0	360	0	+360
Carson City Special Account .....	0	475	0	475	0	0
Stewardship Contract, Excess Receipts.....	0	30	0	30	0	0
Navy Petroleum Reserve #2 Lease Revenues....	3	77	3	100	0	+23
Geothermal Lease and Use Auth. Fund.....	36	0	36	0	0	0
Oil and Gas Permit Processing Imp. Fund .....	155	21,985	155	20,973	0	-1,012
Federal Land Disposal Account.....	8	1,824	8	4,800	0	+2,976
White Pine (85 percent special account) .....	0	270	0	170	0	-100
Subtotal, Permanent Operating Funds .....	537	57,028	537	56,264	0	-764
Helium Fund.....	55	129,418	55	174,105	0	+44,687
Offsetting Collections .....	0	-129,418	0	-174,105	0	-44,687
Working Capital Fund .....	24	43,000	24	41,000	0	-2,000
Offsetting Collections .....	0	-43,000	0	-41,000	0	+2,000
Subtotal, Permanents and Trusts .....	643	148,317	643	102,602	0	-45,715
Reimbursable and Other FTE.....	3,415	0	3,175	0	-240	0
<b>TOTAL, BUREAU OF LAND MANAGEMENT.....</b>	<b>10,807</b>	<b>1,289,421</b>	<b>10,609</b>	<b>1,231,700</b>	<b>-198</b>	<b>-57,721</b>

**HIGHLIGHTS OF BUDGET CHANGES**  
**By Appropriation Activity/Subactivity**

**APPROPRIATION: Management of Lands and Resources**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
<b>Land Resources</b>				
Soil, Water, and Air Management.....	58,971	58,971	46,303	-12,668
Rangeland Management .....	74,193	74,193	71,603	-2,590
Public Domain Forest Management.....	10,543	10,543	9,730	-813
Riparian Management.....	22,718	22,718	23,052	+334
Cultural Resources Management.....	16,131	16,131	25,614	+9,483
Wild Horse and Burro Management....	63,986	63,986	75,008	+11,022
Subtotal, Land Resources.....	246,542	246,542	251,310	+4,768
<b>Wildlife and Fisheries Management</b>				
Wildlife Management .....	36,592	36,592	36,973	+381
Fisheries Management.....	13,765	13,765	13,354	-411
Subtotal, Wildlife/Fisheries Mgmt....	50,357	50,357	50,327	-30
Threatened/Endangered Species Mgmt..	22,612	22,612	21,668	-944
<b>Recreation Management</b>				
Wilderness Management.....	18,421	18,421	19,587	+1,166
Recreation Resources Management.....	49,971	49,971	57,170	+7,199
Subtotal, Recreation Management....	68,392	68,392	76,757	+8,365
<b>Energy and Minerals Management</b>				
Oil and Gas Management .....	69,336	69,336	39,632	-29,704
Permit Processing Fees.....	45,500	45,500	32,500	-13,000
Offsetting Collections (Fees).....	-27,142	-45,500	-32,500	+13,000
Inspection Fees .....	0	0	37,950	+37,950
Offsetting Collections (Inspection Fees) .....	0	0	-37,950	-37,950
Coal Management.....	9,739	9,739	7,054	-2,685
Other Mineral Resources Mgmt.....	10,614	10,614	8,415	-2,199
Renewable Energy .....	[16,735]	[16,735]	19,735	+19,735
Subtotal, Energy / Minerals Mgmt ....	108,047	89,689	74,836	-14,853
<b>Realty and Ownership Management</b>				
Alaska Conveyance and Lands.....	34,109	34,109	16,622	-17,487
Cadastral Survey .....	12,863	12,863	12,015	-848
Land/Realty Management .....	50,660	50,660	32,657	-18,003
Subtotal, Realty/Ownership Mgmt .	97,632	97,632	61,294	-36,338
<b>Resource Protection and Maintenance</b>				
Resource Management Planning .....	49,961	49,961	40,621	-9,340
Abandoned Mine Lands .....	[15,929]	[15,929]	19,851	+19,851
Resource Protection/Law Enfrmnt.....	28,457	28,457	27,067	-1,390
Hazardous Materials Management.....	17,159	17,159	16,668	-491
Subtotal, Resource Protection.....	95,577	95,577	104,207	+8,630
<b>Transportation and Facilities Maintenance</b>				
Operations.....	6,067	6,067	0	-6,067
Annual Maintenance .....	32,003	32,003	0	-32,003
Deferred Maintenance.....	35,085	35,085	30,008	-5,077
Annual Maintenance & Op. Costs .....	[38,070]	[38,070]	41,226	+41,226
Subtotal, Trans./Facilities Maint.....	73,155	73,155	71,234	-1,921
Land/Resource Information System.....	16,754	16,754	15,852	-902

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
<b>Mining Law Administration</b>				
Administration .....	36,696	36,696	39,696	+3,000
Offsetting Fees .....	-36,696	-36,696	-39,696	-3,000
Subtotal, Mining Law Admin.....	0	0	0	0
<b>Workforce and Organizational Support</b>				
Information Systems Operations .....	15,406	15,406	14,697	-709
Administrative Support .....	51,377	51,377	49,209	-2,168
Bureau-wide Fixed Costs .....	91,277	91,277	93,576	+2,299
Subtotal, Support .....	158,060	158,060	157,482	-578
<b>Communications Site Management</b>				
Communications Site Management ....	2,000	2,000	2,000	0
Offsetting Fees .....	-2,000	-2,000	-2,000	0
Subtotal, Comm. Site Mgmt .....	0	0	0	0
Challenge Cost Share.....	9,500	9,500	9,467	-33
<b>National Landscape Conservation System</b>				
National Monuments and				
National Conservation Areas .....	31,301	31,301	39,345	+8,044
<b>TOTAL APPROPRIATION</b> .....	977,929	959,571	933,779	-25,792
Net Transfer .....	-53	0	0	0
Recission of Balances .....	-1,000	0	0	0
<b>TOTAL APPROPRIATION</b> .....	976,876	959,571	933,779	-25,792

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted/2011 CR</u>		2012 Change from <u>2010 Enacted/2011 CR</u>
<b>TOTAL APPROPRIATION</b> .....	-25,792		
Land Resources.....	+4,768	General Program Activities .....	-200
Soil, Water, and Air Management .....	-12,668	Headwaters Reprogramming.....	+325
White Mountains Reprogramming .....	+9	2011 Interior-wide and Bureau	
Air Quality Data Collection.....	+2,000	Management Efficiencies .....	-211
Cooperative Landscape Conservation .....	+2,500	2012 Administrative Cost Savings.....	-283
Abandoned Mine Lands -		Cultural Resources Management.....	+9,483
Internal Transfer .....	-15,929	White Mountains Reprogramming .....	+7
General Program Activities .....	-350	Antiquities Act Reprogramming .....	+400
2011 Interior-wide and Bureau		Surveys and Protection - Cultural Resources.....	+7,853
Management Efficiencies .....	-260	NLCS-Wild and Scenic Rivers.....	+666
2012 Administrative Cost Savings.....	-638	NLCS-Nat'l Scenic and Historic Trails.....	+1,000
Rangeland Management .....	-2,590	2011 Interior-wide and Bureau	
General Program Activities .....	-700	Management Efficiencies .....	-195
2011 Interior-wide and Bureau		2012 Administrative Cost Savings .....	-248
Management Efficiencies .....	-672	Wild Horse and Burro Management .....	+11,022
2012 Administrative Cost Savings.....	-1,218	Increased Operations and Fertility Control.....	+12,000
Public Domain Forest Management.....	-813	2011 Interior-wide and Bureau	
Headwaters Reprogramming.....	-492	Management Efficiencies .....	-265
General Program Activities .....	-100	2012 Administrative Cost Savings .....	-713
2011 Interior-wide and Bureau		Wildlife and Fisheries Management.....	-30
Management Efficiencies .....	-85	Wildlife Management .....	+381
2012 Administrative Cost Savings.....	-136	Sage Grouse Habitat Monitoring .....	+2,000
Riparian Management .....	+334	White Mountains Reprogramming .....	+69
White Mountains Reprogramming .....	+36	General Program Activities .....	-1,000
NLCS-Wild and Scenic Rivers.....	+667		

## ***Detail of Budget Changes***

	<u>2012 Change from 2010 Enacted / 2011 CR</u>	<u>2012 Change from 2010 Enacted / 2011 CR</u>	
2011 Interior-wide and Bureau Management Efficiencies .....	-251	Other Mineral Resources.....	-2,199
2012 Administrative Cost Savings.....	-437	Shift Inspection Costs to Cost Recovery .....	-2,000
Fisheries Management.....	-411	2011 Interior-wide and Bureau Management Efficiencies .....	-99
White Mountains Reprogramming .....	+29	2012 Administrative Cost Savings.....	-100
General Program Activities .....	-125	Renewable Energy .....	+19,735
2011 Interior-wide and Bureau Management Efficiencies .....	-124	Internal Transfer .....	+16,735
2012 Administrative Cost Savings.....	-191	Environmental Studies .....	+3,000
Threatened and Endangered Species Management.....	-944	Realty and Ownership Management .....	-36,388
Headwaters Reprogramming.....	+115	Alaska Conveyance and Lands.....	-17,487
Fish Habitat - Earmark .....	-300	White Mountains Reprogramming .....	+8
General Program Activities .....	-200	2011 Interior-wide and Bureau Management Efficiencies .....	-17,013
2011 Interior-wide and Bureau Management Efficiencies .....	-207	2012 Administrative Cost Savings.....	-236
2012 Administrative Cost Savings.....	-352	Cadastral Survey .....	-246
Recreation Management .....	+8,365	General Program Activities .....	-848
Wilderness Management.....	+1,166	Utah Rural Government Earmark .....	-100
NLCS-Wilderness Studies.....	+500	2011 Interior-wide and Bureau Management Efficiencies .....	-158
Omnibus Public Lands Act Implementation.....	+1,300	2012 Administrative Cost Savings.....	-290
2011 Interior-wide and Bureau Management Efficiencies .....	-201	Lands and Realty Management .....	-18,003
2012 Administrative Cost Savings.....	-433	Renewable Energy - Internal Transfer.....	+16,735
Recreation Resources Management.....	+7,199	White Mountains Reprogramming .....	+17
White Mountains Reprogramming .....	+182	2011 Interior-wide and Bureau Management Efficiencies .....	-575
Headwaters Reprogramming.....	+52	2012 Administrative Cost Savings.....	-710
Antiquities Act Reprogramming .....	-400	Resource Protection and Maintenance.....	+8,630
NLCS-Wild and Scenic Rivers.....	+667	Resource Management Planning .....	-9,340
NLCS-Nat'l Scenic and Historical Trails.....	+1,000	General Program Activities .....	-8,192
Travel Mgmt. Plans, Interpret., Visitor Services ...	+7,000	2011 Interior-wide and Bureau Management Efficiencies .....	-375
2011 Interior-wide and Bureau Management Efficiencies .....	-498	2012 Administrative Cost Savings.....	-773
2012 Administrative Cost Savings.....	-804	Abandoned Mine Lands .....	+19,851
Energy and Minerals Management .....	-14,853	Internal Transfer .....	+15,929
Oil and Gas Management .....	-29,704	Red Devil Mine.....	+4,000
Increase Funding for APDs.....	+13,000	2011 Interior-wide and Bureau Management Efficiencies .....	-78
Decrease Funding Due to Shift of Inspection Costs to Fees.....	-37,950	Resource Protection and Law Enforcement .....	-1,390
Completion of Energy Policy and Conservation Act Studies.....	-3,000	General Program Activities .....	-500
APD Fee Funding.....	[13,000]	2011 Interior-wide and Bureau Management Efficiencies .....	-377
APD Offset Difference .....	[-13,000]	2012 Administrative Cost Savings.....	-513
Inspection Fees .....	[37,950]	Hazardous Materials Management .....	-491
Inspection Fee Offsetting Collections.....	[-27,950]	White Mountains Reprogramming .....	+20
2011 Interior-wide and Bureau Management Efficiencies .....	-674	2011 Interior-wide and Bureau Management Efficiencies .....	-217
2012 Administrative Cost Savings.....	-1,080	2012 Administrative Cost Savings.....	-294
Coal Management.....	-2,685	Transportation and Facilities Maintenance .....	-1,921
Shift Inspection Costs to Cost Recovery .....	-2,400	Operations - Internal Transfer .....	-6,067
2011 Interior-wide and Bureau Management Efficiencies .....	-85	Annual Maintenance - Internal Transfer.....	-32,003
2012 Administrative Cost Savings.....	-200		

### ***Detail of Budget Changes***

	<u>2012 Change from 2010 Enacted/2011 CR</u>	<u>2012 Change from 2010 Enacted/2011 CR</u>
Deferred Maintenance .....	-5,077	
Condition Assessment Funding - Internal Transfer .	-4,000	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-587	
2012 Administrative Cost Savings.....	-490	
Annual Maintenance and Operation Costs.....	+41,226	
Internal Transfer from Ops. and Annual Main...	+38,070	
Internal Transfer from Deferred Maintenance.....	+4,000	
White Mountains Reprogramming .....	+145	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-370	
2012 Administrative Cost Savings.....	-619	
Land and Resource Information Systems.....	-902	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-123	
2012 Administrative Cost Savings.....	-779	
Mining Law Administration.....	0	
Mining Law Program Administration		
Base Increase for Inspection and Enforcement....	+3,000	
Mining Claim Fees - Offsetting Collections		
Base Increase Offset .....	-3,000	
Workforce and Organizational Support.....	-578	
Information Systems Operations .....	-709	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-84	
2012 Administrative Cost Savings.....	-625	
Administrative Support .....	-2,168	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-1,395	
2012 Administrative Cost Savings.....	-773	
Bureau-wide Fixed Costs .....	+2,299	
Fixed Costs .....	+3,252	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-953	
Challenge Cost Share		
2012 Administrative Cost Savings.....	-33	
National Monuments/National Conservation Areas..	+8,044	
White Mountains Reprogramming .....	-522	
Program Increase.....	+9,197	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-198	
2012 Administrative Cost Savings.....	-433	

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**APPROPRIATION: Construction**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	8,626	8,626	3,576	-5,050

\* See Appendix N for proposed 2012 construction projects.

***Detail of Budget Changes***

2012 Change from  
2010 Enacted/2011 CR

TOTAL APPROPRIATION ..... -5,050

Project Funding ..... -5,036  
2012 Administrative Cost Savings..... -14

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**APPROPRIATION: Land Acquisition**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Acquisitions .....	24,650	24,650	46,620	+21,970
Emergencies and Hardships.....	3,000	3,000	1,500	-1,500
Acquisition Management.....	2,000	2,000	1,880	-120
TOTAL APPROPRIATION .....	29,650	29,650	50,000	+20,350

\* See Appendix G for proposed 2012 land acquisition projects.

***Detail of Budget Changes***

2012 Change from  
2010 Enacted/2011 CR

TOTAL APPROPRIATION ..... +20,350

Line Item Projects..... +21,970  
Emergencies and Hardships..... -1,500  
Acquisition Management..... -120  
    Fixed Costs ..... +1  
    Acquisition Management..... -121

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## APPROPRIATION: Oregon and California Grant Lands

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
W. Oregon Resources Management .....	97,052	97,052	98,056	+1,004
W. Oregon Info./Resources Data Sys.....	2,153	2,153	1,926	-227
W. Oregon Trans. and Facilities Maint....	11,202	11,202	11,002	-200
W. Oregon Construction/ Acquisition.....	317	317	310	-7
W. Oregon NLCS.....	833	833	749	-84
<b>TOTAL APPROPRIATION .....</b>	<b>111,557</b>	<b>111,557</b>	<b>112,043</b>	<b>+486</b>

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>		2012 Change from <u>2010 Enacted / 2011 CR</u>
<b>TOTAL APPROPRIATION .....</b>	<b>+486</b>		
Western Oregon Resources Management.....	+1,004	Western Oregon Transportation/Facilities Mgmt.....	-200
Forest Management .....	+527	Operations.....	-45
Secretary's W. Oregon Strategy .....	+1,000	2011 Interior-wide and Bureau	
2011 Interior-wide and Bureau		Management Efficiencies .....	-18
Management Efficiencies .....	-289	2012 Administrative Cost Savings.....	-27
2012 Administrative Cost Savings.....	-184	Annual Maintenance .....	-154
Reforestation and Forest Development .....	-495	2011 Interior-wide and Bureau	
2011 Interior-wide and Bureau		Management Efficiencies .....	-83
Management Efficiencies .....	-180	2012 Administrative Cost Savings.....	-71
2012 Administrative Cost Savings.....	-315	Deferred Maintenance .....	-1
Other Forest Resources Management .....	-869	2011 Interior-wide and Bureau	
2011 Interior-wide and Bureau		Management Efficiencies .....	-1
Management Efficiencies .....	-336	Western Oregon Construction/Acquisition.....	-7
2012 Administrative Cost Savings.....	-533	2011 Interior-wide and Bureau	
Resource Management Planning .....	+1,841	Management Efficiencies .....	-4
Secretary's W. Oregon Strategy .....	+1,964	2012 Administrative Cost Savings.....	-3
Fixed Costs .....	+36	Western Oregon National Monuments and	
2011 Interior-wide and Bureau		National Conservation Areas .....	-84
Management Efficiencies .....	-31	2011 Interior-wide and Bureau	
2012 Administrative Cost Savings.....	-128	Management Efficiencies .....	-5
Western Oregon Information/Resource Data System....	-227	2012 Administrative Cost Savings.....	-79
2011 Interior-wide and Bureau			
Management Efficiencies .....	-37		
2012 Administrative Cost Savings.....	-190		

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**APPROPRIATION: Range Improvements**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Improvements to Public Lands .....	7,873	7,873	7,873	0
Farm Tenant Act Lands .....	1,527	1,527	1,527	0
Administrative Expenses .....	600	600	600	0
TOTAL APPROPRIATION .....	10,000	10,000	10,000	0

**APPROPRIATION: Service Charges, Deposit, and Forfeitures**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Rights-of-Way Processing .....	16,870	16,400	16,400	0
Energy and Minerals Cost Recovery .....	2,985	2,900	7,300	+4,400
Recreation Cost Recovery .....	1,493	1,500	1,500	0
Adopt-a-Horse Program .....	464	450	450	0
Repair of Damaged Lands .....	2,983	3,100	3,100	0
Cost Recoverable Realty Cases.....	847	900	900	0
Timber Purchaser Expenses.....	39	50	50	0
Commercial Film and Photography Fees	237	200	200	0
Copy Fees .....	1,058	1,100	1,100	0
Trans Alaska Pipeline .....	1,125	1,125	1,125	0
TOTAL APPROPRIATION .....	28,101	27,725	32,125	+4,400
Offsets .....	-28,101	-27,725	-32,125	-4,400
TOTAL APPROPRIATION .....	0	0	0	0

**APPROPRIATION: Miscellaneous Trust Funds**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	31,999	21,700	19,700	-2,000



# BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT

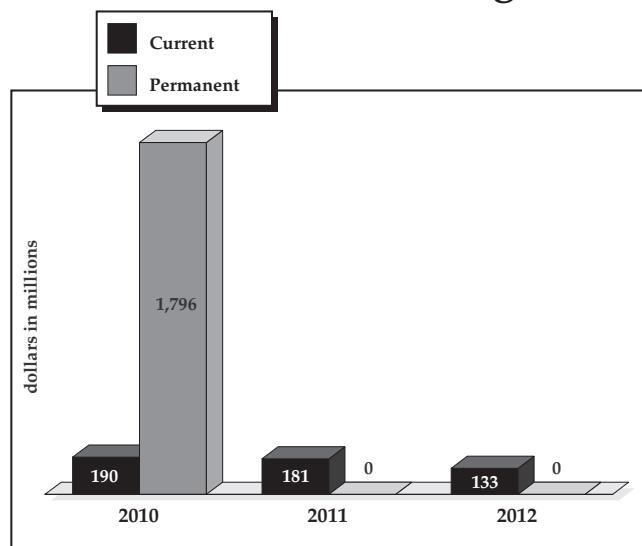
**Mission** – The Bureau of Ocean Energy Management, Regulation and Enforcement is the Federal agency responsible for overseeing the safe and environmentally responsible development of energy and mineral resources on the Outer Continental Shelf.

**Budget Overview** – The 2012 budget request for BOEMRE is \$358.4 million, including \$133.2 million in current appropriations and \$225.2 million in offsetting collections from rental receipts, cost recoveries, and inspection fees. The 2012 budget request is a \$12.0 million net increase above the 2011 CR level. When adjusted for the reorganization of the former Minerals Management Service, this is a \$134.1 million increase for BOEMRE activities including Oil Spill Research. The net \$12.0 million change reflects the transfer of \$122.1 million to the Office of the Secretary for the newly established Office of Natural Resources Revenue. The 2012 budget request provides net increases for BOEMRE of \$109.1 million and restores a \$25.0 million rescission of prior year balances included in the 2011 CR.

The allocation of current appropriations and offsetting collections also changes in 2012, increasing the use of offsetting collections rather than appropriations. The 2012 request of \$133.2 million for current appropriations is an increase of \$48.2 million from the 2011 CR or \$48.3 million compared to the 2010 Enacted level. The BOEMRE will retain all offsetting collections, \$160.2 million, including those formerly allocated to ONRR. This is a net increase of \$60.3 million from the 2011 CR level or \$58.5 million compared to the 2010 Enacted level. The estimate for offsetting collections assumes a \$55.0 million increase in inspection fees to \$65.0 million in 2012. The budget also includes \$14.9 million for Oil Spill Research, an increase of \$8.6 million from the 2010 Enacted / 2011 CR level. Funding for royalty management activities transfers to the Office of the Secretary in 2012. Details about the ONRR 2012 request are included in the Departmental Offices section.

**Offshore Oil and Gas Reforms** – In 2009, Secretary Salazar launched a reform effort to address manage-

## BOEMRE Funding



ment and ethical problems within the former Minerals Management Service and extend consideration of the previous Administration's expanded oil and gas plan for public comment and a science-based review. The Secretary subsequently announced the termination of the royalty-in-kind program which allowed the former Minerals Management Service to choose to accept oil and gas volumes as payment in lieu of royalties, which had been the focus of several investigations by the Department's Inspector General.

The explosion of the Deepwater Horizon drilling rig and the resulting oil spill made it clear that previous reforms did not go far enough and significant changes were needed in the operations of the offshore oil and gas industry and the Department's oversight of these activities. Interior took immediate steps to improve the safety of energy development on the Outer Continental Shelf. The Department issued strong new safety rules offshore operators must now meet before they drill. The rules set higher standards for everything from equipment and well design to casing and cementing. As part of this effort, blowout preventers must be certified, inspected by

## BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT FACTS

- **Established by Secretarial Order in 2010.**
- **Oversees the safe and environmentally responsible development of energy and mineral resources on the Outer Continental Shelf.**
- **Roughly 43 million leased OCS acres account for about 15 percent of America's domestic natural gas production and about 27 percent of domestic oil production.**

third-parties, and meet strict, new testing requirements. Operators are also required to establish comprehensive safety and environmental management programs.

The Deepwater Horizon disaster also pointed out the need for reform within the Department's program. To address concerns about conflicting missions within the former Minerals Management Service, Secretary Salazar announced a phased reorganization of the bureau into three separate entities with distinct responsibilities: the Bureau of Ocean Energy Management to be responsible for leasing and environmental activities; the Bureau of Safety and Environmental Enforcement, to focus on off-shore oil and gas safety and enforcement of regulations; and the Office of Natural Resources Revenue to manage the collection and disbursement of the Nation's mineral resources revenue. The BOEMRE was established as an interim organization, and on October 1, 2010, ONRR was formally established as a separate entity within the Office of the Secretary.

This reorganization, which is planned for full implementation by October 1, 2011, will complement the Department's fundamental reform of the regulatory framework for oil and gas development on the OCS. The Bureau of Ocean Energy Management will concentrate on the development of offshore resources in an economically and environmentally responsible manner while the Bureau of Safety and Environmental Enforcement will focus on safety and environmental enforcement. While the new bureaus will function independently, they will maintain close coordination regarding environmental and lease requirements, to support the timely yet responsible development of offshore energy resources.

The reorganization is part of a comprehensive effort to build up Interior's capabilities to implement a robust regulatory program. To carry out an expanded inspection program and ensure sufficient environmental review, the Department requires additional engineers, inspectors, and scientists that are familiar with the latest drilling and production techniques and practices. Expanded operations require the increased use of helicopters to allow inspectors to be onboard drilling rigs to oversee operations. Interior will also establish bureau capabilities

to monitor certain drilling operations in real time through data sent electronically to an onshore facility.

To implement these aggressive reforms, in September 2010, the Administration amended its 2011 budget request to seek an additional \$100.0 million. In recognition of the constrained fiscal environment and economic uncertainty, the funding request was fully offset by reductions in other programs and an increase in inspection fees paid for by the industry. The 2011 Continuing Resolution provided \$23.1 million of the amended request. The 2012 request proposes an increase of \$134.1 million above the 2011 CR level to continue support for this urgently needed reform agenda. The 2012 request also proposes to increase the amount charged to industry for inspection fees as well as expand their scope. In 2012, the Department proposes to increase the fee from the current level of \$10.0 million in collections to \$65.0 million. The expanded fees will apply to drilling rigs, which are often mobile and engage in some of the riskiest offshore operations, as well as to production facilities.

The President's National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling report recommended the use of industry fees to "provide adequate leasing capabilities and regulatory oversight for the increasingly complex energy-related activities being undertaken on the OCS". The 2012 budget continues to pursue increased effectiveness and the ability to provide oversight to ensure the safe and environmentally responsible development of offshore energy in a fiscally responsible manner.

**New Energy Frontier Initiative** – In 2012, BOEMRE anticipates a substantial increase in leasing activity on the OCS for commercial generation of renewable energy. In 2010, Secretary Salazar signed the first lease for commercial wind energy development on the OCS – the Cape Wind project – in Nantucket Sound, off the coast of Massachusetts. On November 23, 2010, Secretary Salazar announced the Smart from the Start initiative to facilitate the siting, leasing, and construction of wind projects off the Atlantic Coast. On February 7, 2011, he identified the initial wind energy areas under this initiative offshore Delaware, Maryland, New Jersey, and

**FUNDING CROSSWALK**  
**MMS TO BOEMRE AND ONRR**  
(dollars in millions)

	2010 Enacted	2011 CR Adjs	2011 CR	2012 Budget	2012 +/- 2010	2012 +/- 2011
<b>OCEAN ENERGY MANAGEMENT (<i>formerly ROMM</i>)</b>						
<b>BOEMRE</b>						
Direct Appropriations .....	110.6	+11.9	122.5	118.3	+7.7	-4.2
Offsetting Collections.....	112.1	-1.7	110.4	160.2	+48.1	+49.8
Inspection Fee Receipts.....	10.0	0	10.0	65.0	+55.0	+55.0
<b>Subtotal, BOEMRE (w/o rescission) .....</b>	<b>232.7</b>	<b>+10.2</b>	<b>242.9</b>	<b>343.4</b>	<b>+110.7</b>	<b>+100.5</b>
OCS Connect Rescission.....	0	-25.0	-25.0	0	0	+25.0
<b>Subtotal, BOEMRE (w/ rescission).....</b>	<b>232.7</b>	<b>-14.8</b>	<b>217.9</b>	<b>343.4</b>	<b>+110.7</b>	<b>+125.5</b>
<b>OFFICE OF NATURAL RESOURCE REVENUE</b>						
Direct Appropriations .....	64.6	+13.0	77.6	0	-64.6	-77.6
Offsetting Collections .....	44.6	-0.1	44.5	0	-44.6	-44.5
<b>Subtotal, ONRR .....</b>	<b>109.2</b>	<b>+12.9</b>	<b>122.1</b>	<b>0</b>	<b>-109.2</b>	<b>-122.1</b>
<b>TOTAL, OCEAN ENERGY MANAGEMENT.....</b>	<b>341.9</b>	<b>-1.9</b>	<b>340.0</b>	<b>343.4</b>	<b>+1.5</b>	<b>+3.4</b>
<b>OIL SPILL RESEARCH .....</b>	<b>6.3</b>	<b>0</b>	<b>6.3</b>	<b>14.9</b>	<b>+8.6</b>	<b>+8.6</b>
<b>TOTAL, BOEMRE/ONRR .....</b>	<b>348.3</b>	<b>-1.9</b>	<b>346.3</b>	<b>358.4</b>	<b>+10.1</b>	<b>+12.0</b>
<b>OFFICE OF THE SECRETARY - ONRR</b>						
Direct Appropriations .....	0	0	0	147.9	+147.9	+147.9
Offsetting Collections .....	0	0	0	0	0	0
<b>Subtotal, OS - ONRR .....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>147.9</b>	<b>+147.9</b>	<b>+147.9</b>
<b>TOTAL (comparison to former MMS).....</b>	<b>348.3</b>	<b>-1.9</b>	<b>346.3</b>	<b>506.3</b>	<b>+158.1</b>	<b>+159.9</b>

Virginia, with additional wind energy areas offshore in other States to follow later in 2011. The Secretary's goal is to issue commercial leases early in 2012.

The 2012 budget includes a net increase of \$1.7 million over the 2010 Enacted / 2011 CR level for renewable energy activities. The budget funds region specific planning needs in energy frontier areas for consultation and collaboration with stakeholders to develop expansive region specific environmental analyses. The BOEMRE will expedite permitting along the Atlantic coast in cooperation with the Atlantic Offshore Wind Energy Consortium and in the Pacific region based on the expressed interest of the States and renewable energy developers.

The 2012 budget request for BOEMRE's conventional energy program includes \$324.8 million, a net increase of \$107.3 million over the 2010 Enacted / 2011 CR level. The funding will support the effective reorganization of the BOEMRE into two distinct bureaus that will focus on

leasing and environmental studies and safety and environmental enforcement, respectively. Additional funds will be used to recruit expert engineers, scientists, and oil spill response specialists to support the development of strong scientific information and timely and thorough review of permits.

**Ocean Energy Management** – This appropriation funds the management of offshore energy leasing, exploration, and development. Activities funded under this account include leasing and environmental studies, resource evaluation, development of regulations, offshore facility inspections, and other safety and enforcement activities. This account replaces the Royalty and Offshore Minerals Management account and will support both of the new bureaus on an interim basis to support the orderly reorganization of the BOEMRE.

The 2012 budget request includes a net increase of \$19.5 million for enhanced leasing and environmental

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management for conventional and renewable energy. The BOEMRE will emphasize managing development of the Nation's offshore resources in an environmentally and economically responsible way with key functions revolving around: environmental studies; leasing program development and administration; analysis under the National Environmental Policy Act; resource and economic analysis; and offshore renewable energy development.

This funding request will support the development of the five-year oil and gas leasing program for 2012 through 2017 to ensure continued development of the Nation's energy resources. Enhanced environmental studies will provide critical data to inform development of the next five year leasing program and individual lease sales under the current leasing program. Research in these areas is critical to understand the alterations of the Gulf of Mexico environment resulting from the Deepwater Horizon incident for the purposes of analyzing the impacts of future actions, consistent with NEPA and a suite of other environmental laws. To better focus resources on sound energy development, the request eliminates funding for the management of marine minerals such as sand and gravel.

The 2012 request expands efforts in physical oceanography, social science, deep sea ecology, and the assessment of coral and chemosynthetic communities. The duration of the Deepwater Horizon spill, its volume, and the shifting of oil may have affected natural resources covering an extensive area. Research is critical to understand the new base environmental condition, for the purposes of compliance with NEPA and other laws such as the Marine Mammal Protection Act and the Endangered Species Act. Comprehensive and improved environmental studies will enable thorough analysis of industry's exploration and development plans. The Bureau of Ocean Energy Management will hire additional engineers, economists, and scientists in various disciplines to review industry's development plans to ensure the effectiveness of the technology proposed for use, the accuracy of environmental assessments, and coordinate with the Bureau of Safety and Environmental Enforcement in the full review of exploration and delineation drilling plans. These resources will enable the Department to assure each plan meets legal requirements, including coastal zone management reviews.

An independent advisory board will provide advice to support the use of sound science. The request includes an increase of \$1.2 million above the 2010 Enacted/2011 CR level to review internal policies, procedures, rules, and regulations. The board will feature experts in science and engineering that will understand the offshore

environment and the technical aspects of petroleum production. The requested funds will also cover operating costs including travel and office space.

The 2012 request also includes a net increase of \$26.9 million over the 2010 Enacted/2011 CR level to improve enforcement of operational safety standards aboard offshore drilling and production rigs, adherence to environmental regulations, and compliance with conservation requirements to protect the Nation's natural resources. Critical functions include all field operations including permitting and inspections, research, offshore regulatory programs, oil spill response and research, and new training and environmental compliance activities. Funds will be used to develop a more effective regulatory oversight program, including establishment of systems to monitor key aspects of drilling operations in real time from onshore facilities.

The 2012 request supports the implementation of a risk-based inspection program of both planned and unannounced inspections. The 2012 request of \$143.3 million will substantially increase the number of inspectors, improve the tools and systems necessary to implement the risk-based inspection program, and expand offshore transportation resources. The request supports a new inspection regime to consider the risk of both the formation being explored or developed, the historic performance of the operator, and other factors. The BOEMRE is currently evaluating various protocols and requirements such as:

- Increasing inspection of operators with demonstrated performance problems.
- Providing constant oversight of high-risk activities based on the probability of accidents and the degree of consequence. This includes witnessing, either in person or through onshore video feeds, critical drilling activities such as blowout preventer testing, hooking blowout preventers to subsea wells, and cement/casing activities as they approach production zones.
- Increasing or establishing oversight of other activities, such as witnessing pipeline installations, full emergency shut down tests, construction operations, workover, snubbing, and coiled tubing operations.
- Auditing operators for compliance with the new Safety and Emergency Management System rules.

In addition, the Bureau of Safety and Environmental Enforcement will hire staff to expand its oil spill response compliance inspection program. This staff will conduct a

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larger number of compliance inspections to test and evaluate industry's ability to respond to an oil spill event. This includes unannounced exercises, equipment inspections, review of Oil Spill Response Plans, and participation in table-top demonstration exercises.

A critical function of the new organization will be to ensure compliance with all safety and environmental laws and regulations. The Bureau of Safety and Environmental Enforcement environmental staff will work closely with the Bureau of Ocean Energy Management staff to ensure that environmental issues pertaining to offshore energy and mineral exploration, development, and production are addressed in a timely manner with new information, impacts, and discoveries integrated into an effective adaptive and ecosystem-based management process. This will include evaluating the effectiveness of environmental mitigation efforts and providing oversight into the development of policy and regulatory requirements. The 2012 request also proposes an \$11.4 million increase for technology and engineering studies that will be used to assure offshore safety and environmental regulations evolve with the industry's drilling and production technologies.

As part of the reforms, the 2012 request includes an increase of \$5.8 million over the 2010 Enacted/2011 CR to support an Investigations and Review Unit. This unit responds to allegations or evidence of misconduct and unethical behavior; oversees and coordinates internal auditing, regulatory oversight and enforcement systems and programs; and assures the organization's ability to respond to emerging issues and crises, including spills and accidents.

Separate and apart from the two independent bureaus, the Secretary and Director Michael Bromwich established the Offshore Energy Safety Advisory Committee to advise BOEMRE on a variety of issues related to offshore energy safety, including drilling and workplace safety, well intervention and containment, and oil spill response. The Safety Committee will facilitate collaborative research and development, training, and execution in these and other areas relating to offshore energy safety.

**Oil Spill Research Program** – This program supports oil pollution research and other duties related to oil spill prevention, as authorized by the Oil Pollution Act of 1990. The National Oil Spill Response Test Facility is the only one of its type in the world providing full-scale equipment and methodology testing in a safe, controlled environment. The 2012 budget proposes total funding of \$14.9 million, an increase of \$8.6 million over the 2010 Enacted/2011 CR level. The increase will address key

knowledge gaps brought to light during the Deepwater Horizon incident. The request will expand research efforts relating to spill containment and control in deep water environments as well as on the surface. The studies will leverage other funds through cooperative efforts with the National Oceanic and Atmospheric Administration, the Department of the Navy, and U.S. Coast Guard.

The Oil Spill Research program has played a pivotal role in initiating applied research used to support decision-making pertaining to offshore energy development. This is especially true regarding the program's long history of research in oil spill containment and response in the field, as well as training at its large test tank facility, the Oil and Hazardous Materials Simulated Environmental Test Tank, in Leonardo, New Jersey. The program will increase efforts in deep spill containment research, along with deep spill tracking and recovery. In order to work at these depths, both surface platforms and subsea remotely operated vehicles are needed. In addition to spills at depth, oil in the water column must also be able to be detected and tracked to a far greater extent than existing capabilities allow. This work includes techniques needed to conduct chemical sampling in the water column and estimate the fate of submerged oil and dispersant plumes. This information will in turn support oil spill tracking models which can be directly applied to spill cleanup requirements and spill response planning.

**Coastal Impact Assistance Program** – The budget proposes to transfer the management of the Coastal Impact Assistance Program from BOEMRE to the Fish and Wildlife Service in 2012. Transition planning will take place in 2011.

**Fixed Costs** – Fixed costs of \$1.2 million are funded in the request.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, BOEMRE's budget includes \$447,000 in savings in 2012 against actual 2010 expenditures in the following activities: \$42,000 for travel and transportation of persons, \$5,000 for transportation of things, \$3,000 for printing and reproduction, \$381,000 for advisory and assistance services, and \$16,000 for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$1.0 million in travel and relocation, information technology, and strategic sourcing and bureau-specific efficiencies.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted /		2012 Request		Change	
	FTE	2011 CR Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Ocean Energy Management ( <i>formerly ROMM</i> ) <sup>1/</sup> .....	1,672	200,110	1,395	118,265	-277	-81,845
Rescission of Prior Balances .....	0	-25,000	0	0	0	+25,000
Subtotal, Ocean Energy Management.....	1,672	175,110	1,395	118,265	-277	-56,845
Oil Spill Research .....	18	6,303	22	14,923	+4	+8,620
Subtotal, Appropriations.....	1,690	181,413	1,417	133,188	-273	-48,225
Offsetting Collections .....	0	164,890	0	225,163	0	+60,273
Subtotal, Appropriations.....	1,690	346,303	1,417	358,351	-273	+12,048
<b>Comparison Adjustment</b>						
Office of Natural Resources Revenue <sup>2/</sup> .....	[ -586 ]	-122,101	0	0	0	+122,101
Subtotal, BOEMRE ( <i>w/o ONRR</i> ) .....	1,690	224,202	1,417	358,351	-273	+134,149
<b>Permanents</b>						
Coastal Impact Assistance Program <sup>3/</sup> .....	24	0	0	0	-24	0
<b>TOTAL,OCEAN ENERGY MANAGEMENT,</b>						
REGULATION AND ENFORCEMENT ( <i>w/o OC</i> )....	1,714	181,413	1,417	133,188	-297	-48,225
<b>TOTAL, OCEAN ENERGY MANAGEMENT,</b>						
REGULATION AND ENFORCEMENT ( <i>w/ OC</i> ) ....	1,714	346,303	1,417	358,351	-297	+12,048

<sup>1/</sup> The 2012 FTE for BOEMRE and OSM do not match the President's Budget Appendix but accurately reflect the FTE associated with the request.

<sup>2/</sup> Secretarial Order No. 3306 dated September 30, 2010, directed the realignment of the Office of Natural Resources Revenue from BOEMRE to the Office of the Secretary. Funding and FTE for 2010 Enacted/2011 CR is within the BOEMRE ROMM account and is reflected in the Office of the Secretary, Departmental Operations account in 2012.

<sup>3/</sup> The Coastal Impact Assistance Program including FTEs transfers to the Fish and Wildlife Service in 2012.

## **HIGHLIGHTS OF BUDGET CHANGES** By Appropriation Activity/Subactivity

### **APPROPRIATION: Ocean Energy Management <sup>1/2/</sup>**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Offshore Energy and Minerals Management				
Renewable Energy				
Appropriation.....	7,413	7,413	7,168	-245
Offsetting Collections .....	14,000	14,000	15,905	+1,905
Subtotal, Renewable Energy .....	21,413	21,413	23,073	+1,660
Leasing and Environmental Program				
Appropriation.....	24,955	24,955	13,300	-11,655
Offsetting Collections .....	34,506	34,506	62,110	+27,604
Subtotal, Leasing / Environmental ....	59,461	59,461	75,410	+15,949
Resource Evaluation Program				
Appropriation.....	21,159	21,159	15,936	-5,223
Offsetting Collections .....	14,126	14,126	18,797	+4,671
Subtotal, Resource Evaluation Prog .	35,285	35,285	34,733	-552
Regulatory Program				
Appropriation.....	29,212	29,212	52,573	+23,361
Offsetting Collections .....	31,049	31,049	90,746	+59,697
Subtotal, Regulatory Program.....	60,261	60,261	143,319	+83,058
Information Management Program				
Appropriation.....	9,205	9,205	14	-9,191
Offsetting Collections .....	11,249	11,249	20,454	+9,205
Subtotal, Info Mgmt. Program .....	20,454	20,454	20,468	+14
2011 CR Adjustment <sup>3/</sup>				
Appropriation.....	0	11,919	0	-11,919
Offsetting Collections .....	0	-1,678	0	+1,678
Subtotal, 2011 CR Adjustment.....	0	10,241	0	-10,241
Subtotal, Appropriation .....	91,944	103,863	88,991	-14,872
Subtotal, Offsetting Collections .....	104,930	103,252	208,012	+104,760
Total, Offshore Energy and Minerals Management .....	196,874	207,115	297,003	+89,888
General Administration				
Executive Direction				
Appropriation.....	1,457	1,457	2,042	+585
Offsetting Collections .....	1,000	1,000	998	-2
Subtotal, Executive Direction .....	2,457	2,457	3,040	+583
Policy and Management Improvement				
Appropriation.....	1,987	1,987	9,042	+7,055
Offsetting Collections .....	1,000	1,000	997	-3
Subtotal, Policy / Mgmt Improve.....	2,987	2,987	10,039	+7,052
Administrative Operations				
Appropriation.....	8,666	8,666	9,776	+1,110
Offsetting Collections .....	2,555	2,555	2,548	-7
Subtotal, Administrative Ops.....	11,221	11,221	12,324	+1,103

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
General Support Services				
Appropriation.....	6,523	6,523	8,414	+1,891
Offsetting Collections .....	12,641	12,641	12,608	-33
Subtotal, General Support Services .....	19,164	19,164	21,022	+1,858
2011 CR Adjustment <sup>3/</sup>				
Appropriation.....	0	0	0	0
Offsetting Collections .....	0	-45	0	+45
Subtotal, 2011 CR Adjustment.....	0	-45	0	+45
Subtotal, Appropriation .....	18,633	18,633	29,274	+10,641
Subtotal, Offsetting Collections .....	17,196	17,151	17,151	0
Total, General Administration.....	35,829	35,784	46,425	+10,641
Total, Appropriation .....	110,577	122,496	118,265	-4,231
Total, Offsetting Collections .....	122,126	120,403	225,163	+104,760
TOTAL - BOEMRE ( <i>w/o rescission</i> ) .....	232,703	242,899	343,428	+100,529
Rescission of Prior Balances .....	0	-25,000	0	+25,000
Transfer Oil Spill Supplemental.....	+8,506	0	0	0
TOTAL - BOEMRE ( <i>w/ rescission</i> ).....	241,209	217,899	343,428	+125,529
Total Appropriation - ONRR <sup>2/</sup> .....	64,640	77,614	0	-77,614
Total Offsetting Collections - ONRR <sup>2/</sup> .....	44,604	44,487	0	-44,487
Total - ONRR.....	109,244	122,101	0	-122,101
Total, Appropriation .....	183,723	175,110	118,265	-56,845
Total, Offsetting Collections .....	166,730	164,890	225,163	+60,273
TOTAL - BOEMRE /ONRR.....	350,453	340,000	343,428	+3,428

<sup>1/</sup> The Ocean Energy Management account was formerly the Royalty and Offshore Minerals Management account.

<sup>2/</sup> Secretarial Order No. 3306 dated September 30, 2010, directed the realignment of the Office of Natural Resources Revenue from BOEMRE to the Office of the Secretary. For comparison purposes, ONRR funding has been removed from the subactivities and aggregated in one line for 2010 Actual and 2010 Enacted/2011 CR. In 2012 ONRR funding transfers to the Office of the Secretary.

<sup>3/</sup> The 2011 CR provided BOEMRE a net increase of \$10.2 million to improve inspection capabilities which are funded under the Regulatory Program subactivity.

### Detail of Budget Changes

	<u>2012 Change from 2010 Enacted/2011 CR</u>	<u>2012 Change from 2010 Enacted/2011 CR</u>
TOTAL APPROPRIATION .....	+3,428	
Transfer of ONRR to OS .....	-122,101	
Restore Budget Authority for 2011 Rescission ....	+25,000	
Program Change/CR Adjustment.....	+100,529	
Offshore Energy and Minerals Management		
Renewable Energy .....	+1,660	National Environmental Protection Act
Smart from the Start Renewable Energy.....	+2,050	and Environmental Studies Staff .....
Reorganization Support and Adjustments.....	-101	+8,063
2011 CR Adjustment .....	-205	Fair Market Value.....
Fixed Costs .....	+9	+850
2011 Interior-wide and Bureau		Marine Spatial Planning.....
Management Efficiencies .....	-73	+1,000
2012 Administrative Cost Savings.....	-20	Marine Minerals Program.....
Leasing and Environment.....	+15,949	-2,000
Environmental and Operational		Reorganization Support and Adjustments .....
Oversight Compliance.....	+1,395	+959
Environmental Studies.....	+6,500	2011 CR Adjustment .....
		-568
		Fixed Costs .....
		+50
		2011 Interior-wide and Bureau
		Management Efficiencies .....
		-203
		2012 Administrative Cost Savings.....
		-97

### ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted/2011 CR</u>	2012 Change from <u>2010 Enacted/2011 CR</u>
Resource Evaluation .....	-552	
Fair Market Value.....	+1,080	
Bid Evaluation .....	+310	
Eliminate Funding for the Center for Marine Resources and Environmental Technology .....	-900	
Reorganization Support and Adjustments.....	-550	
2011 CR Adjustment .....	-329	
Fixed Costs.....	+48	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-117	
2012 Administrative Cost Savings.....	-94	
Regulatory Program .....	+83,058	
Inspection Capability.....	+44,483	
Engineering Studies.....	+11,360	
Permitting.....	+6,945	
Environmental and Operational Oversight Compliance.....	+3,720	
Safety and Enforcement Management		
Operations Support .....	+2,860	
Oil Spill Response Compliance .....	+1,240	
Reorganization Support and Adjustments.....	+1,390	
2011 CR Adjustment .....	+11,343	
Fixed Costs.....	+71	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-205	
2012 Administrative Cost Savings.....	-149	
Information Management		
Fixed Costs .....	+14	
General Administration		
Executive Direction.....	+583	
Reorganization Support and Adjustments.....	+610	
2011 CR Adjustment .....	-2	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-14	
2012 Administrative Cost Savings.....	-11	
Policy Management and Improvement .....	+7,052	
Investigations and Review Unit.....	+5,782	
Independent Advisory Board.....	+1,200	
Reorganization Support and Adjustments .....	+101	
2011 CR Adjustment .....	-3	
Fixed Costs.....	+1	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-16	
2012 Administrative Cost Savings.....	-13	
Administrative Operations .....	+1,103	
Reorganization Support and Adjustments .....	+1,505	
2011 CR Adjustment .....	-7	
Fixed Costs.....	+3	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-335	
2012 Administrative Cost Savings.....	-63	
General Support Services .....	+1,858	
Reorganization Support and Adjustments .....	+917	
2011 CR Adjustment .....	-33	
Fixed Costs.....	+1,012	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-38	

### **APPROPRIATION: Oil Spill Research**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	6,303	6,303	14,923	+8,620

### ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted/2011 CR</u>
TOTAL APPROPRIATION .....	+8,620
Oil Spill Research	
Expand Research on Oil Spill Containment and Control in Deep Water Environments .....	+8,620





# OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

**Mission** – The mission of the Office of Surface Mining Reclamation and Enforcement is to ensure that through a nationwide regulatory program, coal mining is conducted in a manner that protects communities and the environment during mining, restores the land to beneficial use following mining, and mitigates the effects of past mining by aggressively pursuing reclamation of abandoned mine lands.

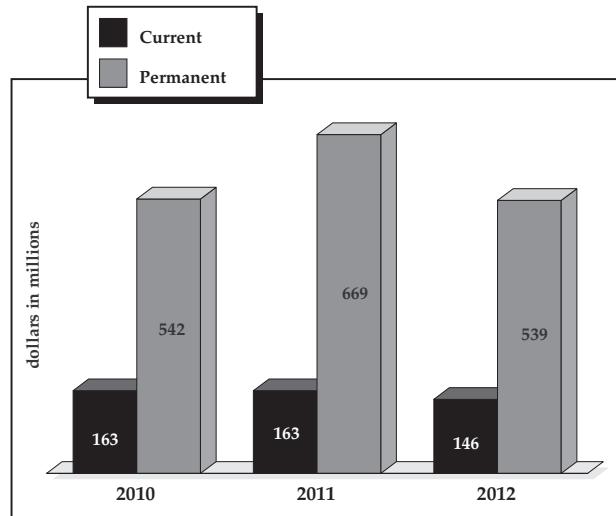
**Budget Overview** – The 2012 budget request for OSM is \$145.9 million in discretionary appropriations, \$17.0 million below the 2010 Enacted / 2011 CR level.

**Regulation and Technology** – The 2012 budget for Regulation and Technology is \$118.5 million, a decrease of \$8.8 million below the 2010 Enacted / 2011 CR level. The request includes \$12.4 million, an increase of \$3.8 million above the 2010 Enacted / 2011 CR, to enhance Federal oversight of State regulatory programs. State and tribal regulatory grants are funded at \$60.3 million in 2012, a decrease of \$11.0 million below 2010 Enacted / 2011 CR. States are encouraged to recover more of their regulatory costs from the coal industry through user fees. The budget also proposes to reclassify permit fees currently collected by OSM as discretionary offsetting collections, to be retained by the bureau; OSM expects to collect \$40,000 in permit fees in 2012.

**Abandoned Mine Reclamation Fund** – The total discretionary funding requested for this account is \$27.4 million, a decrease of \$8.1 million below the 2010 Enacted / 2011 CR level. Because of the increased mandatory funding provided by the 2006 Surface Mining Control and Reclamation Act amendments, States and Tribes have assumed responsibility for AML emergencies and no longer need additional discretionary funding. Therefore, the 2012 budget eliminates discretionary grants to States for AML emergencies and reduces funding for federally-managed AML emergencies, high-priority projects, and associated staff by \$6.9 million.

**Legislative Proposals** – In 2012, OSM will distribute \$539.1 million in permanent appropriations. This includes \$313.8 million to States and Tribes in reclamation grants and

## OSM Funding



\$225.3 million in payments to three United Mine Workers of America retiree health plans. The Administration proposes to focus reclamation grant funds on the highest priority AML sites, while reducing the deficit. The budget proposes to terminate mandatory payments to States and Tribes that have finished restoring their abandoned coal mines, saving the taxpayer \$184.2 million in 2012 and approximately \$1.2 billion over the next ten years. These payments currently can be used for any purpose and therefore may not contribute to the goal of addressing abandoned mine hazards. This proposal is modified from previous budget proposals and will competitively allocate the remaining reclamation funding and provide funding for AML emergency situations and the administration of AML programs. Instead of using production-based formulas, OSM will establish an advisory council to review and rank reclamation projects proposed by States, Tribes, and other parties and recommend the distribution of funds to the highest priority sites. This proposal will ensure the Nation's most dangerous abandoned coal mines are addressed before the AML fee expires in 2021.

The budget assumes a legislative proposal to reform hardrock mining on both public and private lands by

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## OFFICE OF SURFACE MINING, RECLAMATION AND ENFORCEMENT FACTS

- Created in 1977 when Congress enacted the Surface Mining Control and Reclamation Act.
- Ensures that coal mining operations are conducted in an environmentally responsible manner.
- Regulates that land is adequately reclaimed and restored to beneficial use during and following the mining process.
- Institutes nationwide programs to protect the society and the environment from the adverse effects of surface coal mining operations.
- Trains hundreds of State and tribal professionals in a broad range of reclamation skills such as reestablishing wildlife habitat.

addressing abandoned mine land hazards. The proposal will establish a new fee on hardrock mineral production to fund the reclamation of abandoned hardrock mines across the country. Just as the coal industry is held responsible for the actions of its predecessors, the Administration proposes to hold the hardrock mining industry responsible for abandoned hardrock mines. The legislative proposal will levy an AML fee on uranium and metallic mines on both public and private lands. The proposed AML fee on the production of hardrock minerals will be charged per volume of material displaced after January 1, 2012 and collected by OSM. The receipts will be distributed by the Bureau of Land Management through a competitive grant program to restore the most hazardous hardrock AML sites using an advisory council comprised of representatives of Federal agencies, States, Tribes, and non-governmental organizations.

**Fixed Costs** – Fixed costs of \$61,000 are funded.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, OSM's budget includes \$573,000 in savings in 2012 against actual 2010 expenditures in the following activities: \$100,000 travel and transportation of persons and \$473,000 supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$688,000 in travel and relocation, information technology, and strategic sourcing and \$49,000 in bureau-specific efficiencies.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted /		2012 Request		Change	
	FTE	2011 CR Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Regulation and Technology .....	344	127,280	369	118,469	+25	-8,811
Abandoned Mine Reclamation Fund.....	177	35,588	159	27,443	-18	-8,145
Subtotal, Appropriations.....	521	162,868	528	145,912	+7	-16,956
<b>Permanent Appropriations</b>						
Payments to UMWA Health Plans (AML).....	0	57,246	0	64,062	0	+6,816
Payments to UMWA Health Plans (Treasury Funds)	0	216,064	0	161,191	0	-54,873
Payments to States in Lieu of						
Coal Fee Receipts (Treasury Funds) .....	0	245,500	0	85,400	0	-160,100
Mandatory Grants to States and Tribes (AML) .....	0	150,133	0	228,400	0	+78,267
Subtotal, Permanent Appropriations .....	0	668,943	0	539,053	0	-129,890
<b>TOTAL, OFFICE OF SURFACE MINING .....</b>	<b>521</b>	<b>831,811</b>	<b>528</b>	<b>684,965</b>	<b>+7</b>	<b>-146,846</b>

## **HIGHLIGHTS OF BUDGET CHANGES**

### By Appropriation Activity/Subactivity

#### **APPROPRIATION: Regulation and Technology**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Environmental Restoration*	362	260	100	-160
Environmental Protection	94,771	94,771	87,438	-7,333
Technology Development and Transfer	15,663	15,663	14,478	-1,185
Financial Management	516	516	506	-10
Executive Direction / Administration	16,070	16,070	15,947	-123
<b>TOTAL APPROPRIATION</b>	<b>127,382</b>	<b>127,280</b>	<b>118,469</b>	<b>-8,811</b>

\* In 2010 actual civil penalty collections were \$201,612. An estimated civil penalty collections of \$100,000 is included in 2011 and 2012.

#### ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>
<b>TOTAL APPROPRIATION</b>	<b>-8,811</b>	
Environmental Restoration		
Eliminate Coal Outcrop Fires	-160	
Environmental Protection	-7,333	
Reduce State and Tribal Regulatory Grants	-10,991	
Expand / Enhance Regulatory Oversight and Stream Protection	+3,932	
Fixed Costs	-20	
2011 Interior-wide and Bureau Management Efficiencies	-101	
2012 Administrative Cost Savings	-153	
Technology Development and Transfer	-1,185	
Reduce Technical Studies Program	-834	
Fixed Costs	-3	
2011 Interior-wide and Bureau Management Efficiencies	-223	
2012 Administrative Cost Savings	-125	
Financial Management		-10
2011 Interior-wide and Bureau Management Efficiencies		-2
2012 Administrative Cost Savings		-8
Executive Direction and Administration		-123
Space Increase Associated with Regulatory Oversight Increases		+54
Fixed Costs		+72
2011 Interior-wide and Bureau Management Efficiencies		-156
2012 Administrative Cost Savings		-93
Subtotals for Changes Across Multiple Subactivities		
Fixed Costs		+49
2011 Interior-wide and Bureau Management Efficiencies		-482
2012 Administrative Cost Savings		-379

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**APPROPRIATION: Abandoned Mine Reclamation Fund**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Environmental Restoration.....	16,364	16,364	9,495	-6,869
Technology Development and Transfer...	4,032	4,032	3,550	-482
Financial Management .....	6,961	6,961	6,406	-555
Executive Direction/Administration .....	8,231	8,231	7,992	-239
<b>TOTAL APPROPRIATION .....</b>	<b>35,588</b>	<b>35,588</b>	<b>27,443</b>	<b>-8,145</b>

*Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>
<b>TOTAL APPROPRIATION .....</b>	<b>-8,145</b>	
Environmental Restoration.....	-6,869	
Reduce State and Tribal Emergency Grants .....	-1,500	
Reduce Federal Emergency Projects.....	-2,000	
Reduce Federal High-Priority Projects .....	-972	
Reduce Federal Reclamation Project Prog. Staff....	-2,256	
Fixed Costs.....	+7	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-63	
2012 Administrative Cost Savings.....	-85	
Technology Development and Transfer.....	-482	
Reduce Technical Studies Program .....	-366	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-80	
2012 Administrative Cost Savings.....	-36	
Financial Management .....	-555	
Reduce Audit Activities - Export Coal .....	-500	
Fixed Costs.....	-2	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-26	
2012 Administrative Cost Savings.....	-27	
Executive Direction and Administration.....	-239	
Space Decrease Associated with		
Reclamation Staff Reductions.....	-114	
Fixed Costs.....	+7	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-86	
2012 Administrative Cost Savings.....	-46	
Subtotals for Changes Across Multiple Subactivities		
Fixed Costs.....	+12	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-255	
2012 Administrative Cost Savings.....	-194	





# BUREAU OF RECLAMATION

**Mission** – The Bureau of Reclamation's mission is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

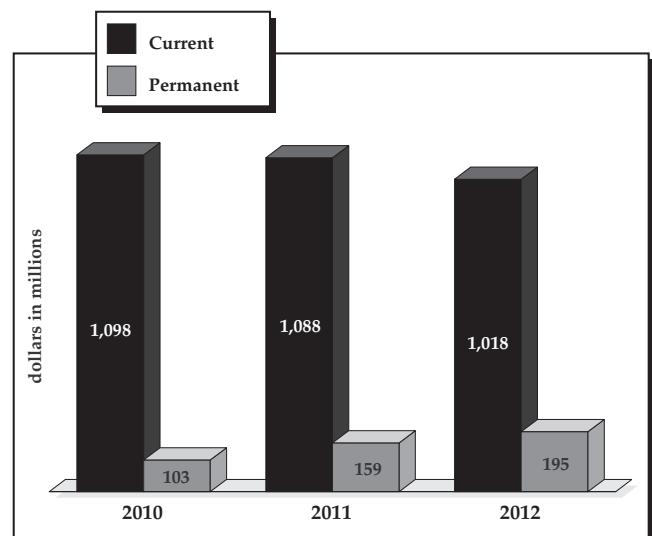
**Budget Overview** – Reclamation's 2012 budget request is \$1.0 billion. This request is offset by discretionary receipts in the Central Valley Project Restoration Fund, estimated to be \$52.8 million. The budget establishes a new Indian Water Rights Settlement Fund account and includes a discretionary appropriation for the San Joaquin River Restoration Fund. The request for permanent appropriations in 2012 totals \$194.5 million.

**Water and Related Resources** – The 2012 budget request for Water and Related Resources, Reclamation's principal operating account, is \$805.2 million, a decrease of \$146.0 million from the 2010 Enacted / 2011 CR level. This decrease is due, in part, to a shift of \$24.8 million for the Navajo-Gallup Water Supply Project to a newly established Indian Water Rights Settlement account. Because Reclamation's budget is project-oriented, 2012 funding comparisons at the project level are against the 2011 President's Budget, whereas account level comparisons are against the 2010 Enacted / 2011 CR level.

The 2012 budget request includes a total of \$398.5 million at the project level for water, energy, land, and fish and wildlife resource management and development activities. Funding in these activities provides for planning, construction, water sustainability activities, management of Reclamation lands including recreation areas, and actions to address the impacts of Reclamation projects on fish and wildlife.

The request also provides a total of \$406.7 million at the project level for water and power facility operations, maintenance, and rehabilitation activities. Reclamation emphasizes safe, efficient, economic and reliable operation of facilities, ensuring systems and safety measures are in place to protect the facilities and the public. Providing adequate funding for these activities continues to be one of Reclamation's highest priorities.

## Reclamation Funding



**WaterSMART Initiative** – The 2012 budget request focuses resources on expanding and stretching limited water supplies in the West to reduce conflict, facilitate solutions to complex water issues, and meet the growing needs of expanding municipalities, domestic energy development, the environment, and agriculture.

Reclamation proposes to fund WaterSMART at \$58.9 million, \$11.0 million below the 2011 President's budget. This reduction is due in part to the rebasing of WaterSMART as described below. There are three ongoing WaterSMART programs, including: the WaterSMART Grant program funded at \$18.5 million; Basin Studies funded at \$6.0 million; and the Title XVI Water Reclamation and Reuse program funded at \$29.0 million. Additionally, two programs are being added to WaterSMART: the ongoing Water Conservation Field Services program, funded at \$5.1 million and the new Cooperative Watershed Management program, funded at \$250,000.

## BUREAU OF RECLAMATION FACTS

- **Established in 1902.**
- **Manages, develops, and protects water resources in an environmentally and economically sound manner.**
- **Largest supplier and manager of water in the 17 western States.**
- **Manages 476 dams and 348 reservoirs with the capacity to store 245 million acre-feet of water.**
- **Delivers water to one in every five western farmers for about ten million acres of irrigated land, and provides water to over 31 million people for municipal, rural, and industrial uses.**
- **Is the Nation's second largest producer of hydroelectric power, generating 40 billion kilowatt hours of energy per year from 58 power plants, enough to power 3.6 million to 3.7 million homes per year.**
- **Addresses water resource challenges posed by drought, climate change, depleted aquifers, environmental needs, energy demands, and population increases in the West.**

*Cooperative Landscape Conservation Initiative* – Reclamation is actively engaged in developing and implementing approaches to understand, and effectively adapt to, the risks and impacts of a changing environment on western water management. The Basin Studies program is part of an integrated strategy to respond to changing impacts on the resources managed by Interior and is a key component of the WaterSMART initiative. In 2012, the Basin Studies program will continue West-wide risk assessments, coordinated through the Department's Landscape Conservation Cooperatives and focus on the threats to water supplies from changing weather patterns. Reclamation will take the lead responsibility for establishing and coordinating work at the Desert and Southern Rockies LCCs. Included within Reclamation's Science and Technology program is water resources research targeting improved capability for managing water resources under multiple drivers, including a changing climate. This research agenda will be collaborated and leveraged with capabilities of the Interior Climate Science Centers.

*Supporting New Energy Frontier* – Reclamation is working with the Department of Energy and its Power Marketing Administrations and the U.S. Army Corps of Engineers to determine the changing impacts on hydropower generation.

*Tribal Nations* – The 2012 Reclamation budget supports tribal Nations through a number of projects. The request includes \$12.8 million for the Animas-La Plata project to continue constructing components of the Navajo Nation Municipal Pipeline and filling Lake Nighthorse. Substantial project completion is expected in 2013.

The 2012 Reclamation budget requests \$35.5 million for on-going authorized rural water projects. Projects benefit both tribal Nations and non-tribal communities. The projects that benefit tribal Nations include Mni Wiconi,

the rural water component of the Garrison Diversion Unit, Fort Peck Reservation/Dry Prairie, Jicarilla Apache Reservation, and Rocky Boys/North Central Montana. Significant progress has been made on rural water projects in recent years, including an investment of \$232.2 million in funding under the American Recovery and Reinvestment Act. Also, the Indian Water Rights Settlement account section highlights additional funding in support of tribal Nations.

*Ecosystem Restoration* – In order to meet Reclamation's mission goals of securing America's energy resources and managing water in a sustainable manner for the 21<sup>st</sup> century, a part of its programs must focus on the protection and restoration of the aquatic and riparian environments influenced by its operations. Ecosystem restoration involves a large number of activities, including Reclamation's Endangered Species Act recovery programs, which directly address the environmental aspects of the Reclamation mission.

The 2012 request provides \$154.6 million to operate, manage, and improve California's Central Valley Project. This amount includes \$34.8 million for the CVP, Sacramento River Division, Red Bluff fish passage activities, including continued construction of a new pumping plant and fish screen. Funding for the CVP also includes \$10.5 million for the Trinity River Restoration program. The 2012 budget includes \$17.9 million for the CVP Replacements, Additions, and Extraordinary Maintenance program, for modernization, upgrade, and refurbishment of facilities throughout the Central Valley.

The request provides \$26.0 million for Lower Colorado River Operations to fulfill both the role of the Secretary as Water Master for the Lower Colorado River and the multi-species conservation program, which is funded at \$18.3 million and provides long-term Endangered Species Act compliance for the river operations.

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The budget requests \$20.0 million for Endangered Species Act Recovery Implementation programs, which includes \$11.0 million in the Great Plains Region to implement the Platte River Endangered Species Recovery Implementation program. This program also provides \$6.2 million for the Upper Colorado and San Juan River Endangered Fish Recovery programs. This funding will continue construction of a system that automates canal operations to conserve water by matching river diversions with actual consumptive use demands and redirecting the conserved water to improve instream flows.

The 2012 budget includes \$18.6 million for the Klamath project, which supports studies and initiatives to improve water supplies to meet the competing demands of agricultural, tribal, wildlife refuge, and environmental needs.

In 2012, the results of the Klamath Dam Removal and Sedimentation Studies will be used to inform a Secretarial Determination as to whether or not removing PacifiCorp's four dams on the Lower Klamath River is in the public interest and advances restoration of the Klamath River fisheries. A total of \$20.0 million was requested in 2010 and 2011 for the studies, \$13.0 million for Reclamation and \$7.0 million for the Fish and Wildlife Service.

The 2012 budget includes \$23.6 million for the Middle Rio Grande project. Funds support the acquisition of supplemental non-Federal water for Endangered Species Act efforts and low flow conveyance channel pumping into the Rio Grande during the irrigation season. Further, funding is used for recurring life cycle river maintenance necessary to ensure uninterrupted, efficient water delivery to Elephant Butte Reservoir, reduced risk of flooding, as well as water delivery obligations to Mexico.

The Yakima River Basin Water Enhancement project request is \$8.9 million, which will continue funding grants to the Benton and Roza Irrigation Districts and Sunnyside Division Board of Control, to implement conservation measures and monitor the effects of those measures on the river diversions.

*Dam Safety Program* - A total of \$83.7 million is requested for Reclamation's Safety of Dams program, which includes \$63.6 million directed to dam safety issues; of that, \$27.5 million is for work at Folsom Dam. Funding also includes \$18.5 million for safety evaluations of existing dams and \$1.6 million to oversee the Interior Department's Safety of Dams program.

*Site Security* - A total of \$25.9 million is requested for Site Security to ensure the safety and security of the public, Reclamation's employees, and key facilities. This funding includes \$6.9 million for physical security upgrades

at high risk critical assets and \$19.1 million to continue all aspects of bureau-wide security efforts including law enforcement, risk and threat analysis, personnel security, information security, risk assessments and security-related studies, and guards and patrols.

**Central Valley Project Restoration Fund** – The 2012 budget includes a request of \$53.1 million for the CVPWF. This budget request is offset by collections estimated at \$52.8 million from mitigation and restoration charges authorized by the Central Valley Project Improvement Act. The San Joaquin River Restoration Fund section below describes the impact that the San Joaquin River Restoration Settlement Act has on the CVPWF.

**California Bay-Delta Restoration** – The 2012 budget requests \$39.7 million for CALFED, pursuant to the CALFED Bay-Delta Authorization Act. The request will support implementation of the Bay Delta Conservation Plan, under the following new program activities: \$2.0 million for a Renewed Federal State Partnership, \$11.5 million for Smarter Water Supply and Use, and \$26.2 million for Habitat Restoration that also addresses the Degraded Bay-Delta Ecosystem activity.

**San Joaquin River Restoration Fund** – The 2012 budget also reflects the settlement of *Natural Resources Defense Council v. Rodgers*. The San Joaquin River Restoration Settlement Act includes a provision to establish the San Joaquin River Restoration Fund to implement the provisions of the Settlement. The Settlement's two primary goals are to restore and maintain fish populations and restore and avoid adverse water impacts. Under the Settlement, the legislation provides for approximately \$2.0 million in annual appropriations from the Central Valley Project Restoration Fund for this purpose, as well as providing \$24.1 million in mandatory funds. Reclamation proposes to put \$9.0 million of discretionary funds into the San Joaquin River Restoration Fund in 2012.

**Indian Water Rights Settlements** – On December 8, 2010 the President signed the Claims Resolution Act of 2010 that addressed four water settlements. These settlements will deliver clean water to the Taos Pueblo of New Mexico, the Pueblos of New Mexico named in the Aamodt case, the Crow Tribe of Montana, and the White Mountain Apache Tribe of Arizona. Reclamation is requesting \$26.7 million in 2012 for the initial implementation of these four settlements.

Reclamation is establishing an Indian Water Rights Settlements account to assure continuity in the construction of the authorized projects and to highlight and enhance transparency in handling these funds. In establishing this account, Reclamation is also requesting \$24.8 million for

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the Navajo-Gallup Water Supply project (Title X of Public Law 111-11) in order to have major current funding for Reclamation's Indian Water Rights Settlements in a single account. The total request for Reclamation's implementation of Indian Water Rights Settlements in 2012 is \$111.5 million, \$51.5 million in discretionary funding and \$60.0 million in permanent authority.

**Policy and Administration** – The 2012 budget request for the Policy and Administration appropriation account, the account that finances Reclamation's central management functions, is \$60.0 million.

**Working Capital Fund** – This fund is operated for the purpose of managing financial activities such as acquisition and replacement of capital equipment; recovery of the cost of services provided to others; indirect cost recovery for the Technical Service Center; management services and human resources in regional and area offices; and information technology-related costs and services. The fund operates on a self-supporting basis through user charges.

**Permanent Appropriations** - The total permanent appropriation in 2012 of \$194.5 million includes \$107.1 million for the Colorado River Basin Fund and \$60.0 million for Reclamation's Indian Water Rights Settlements account.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, Reclamation's budget includes \$5.8 million in savings in 2012 against actual 2010 expenditures in the following activities: \$2.0 million for travel and transportation of persons, \$446,000 for transportation of things, \$83,000 for printing and reproduction, and \$3.3 million for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$3.9 million in travel and relocation, information technology, and strategic sourcing and bureau-specific efficiencies totaling \$1.3 million.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted /		2012 Request		Change	
	FTE	2011 CR Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Water and Related Resources .....	2,922	951,158	2,930	805,187	+8	-145,971
Policy and Administration.....	289	61,200	289	60,000	0	-1,200
Central Valley Project Restoration Fund.....	22	35,358	22	53,068	0	+17,710
California Bay-Delta Restoration.....	42	40,000	42	39,651	0	-349
Working Capital Fund .....	1,483	0	1,486	0	+3	0
San Joaquin Restoration Fund.....	0	0	0	9,000	0	+9,000
Indian Water Rights Settlements.....	0	0	0	51,483	0	+51,483
Subtotal, Appropriations.....	4,758	1,087,716	4,769	1,018,389	+11	-69,327
<i>Central Valley Project Restoration Fund Offset.....</i>	0	-36,837	0	-52,767	0	-15,930
<i>Net Discretionary .....</i>	4,758	1,050,879	4,769	965,622	+11	-85,257
<b>Permanents and Other</b>						
Colorado River Dam Fund,						
Boulder Canyon Project .....	218	103,895	218	107,109	0	+3,214
Basin Funds.....	177	0	180	0	+3	0
Loan Program Liquidating Account.....	0	-2,316	0	-851	0	+1,465
Miscellaneous Permanents .....	0	265	0	265	0	0
Reclamation Trust Funds .....	1	4,500	1	3,000	0	-1,500
Federal Lands Recreation Enhancement Act .....	0	900	0	900	0	0
San Joaquin River Restoration Fund .....	0	51,900	0	24,077	0	-27,823
Indian Water Rights Settlements.....	0	0	0	60,000	0	+60,000
Subtotal, Permanents and Other.....	396	159,144	399	194,500	+3	+35,356
<b>TOTAL, BUREAU OF RECLAMATION .....</b>	<b>5,154</b>	<b>1,246,860</b>	<b>5,168</b>	<b>1,212,889</b>	<b>+14</b>	<b>-33,971</b>

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## **HIGHLIGHTS OF BUDGET CHANGES**

By Appropriation Activity/Subactivity

### **APPROPRIATION: Water and Related Resources**

	2010 Actual	2010 Enacted / 2011 CR <sup>1/</sup>	2012 Request	Change
Animas-La Plata Project .....	49,608	12,462	12,753	+291
Central Arizona Project .....	17,417	9,416	7,025	-2,391
Central Valley Project .....	133,820	171,697	154,631	-17,066
Colorado-Big Thompson.....	13,246	12,778	11,134	-1,644
Colorado River Basin Salinity Control.....	21,274	22,019	22,751	+732
Colorado River Storage Project.....	10,536	12,654	12,276	-378
Columbia Basin Project .....	15,733	11,075	7,724	-3,351
Columbia/Snake River Salmon Recovery.....	16,980	18,000	17,830	-170
Dam Safety Program.....	97,820	95,174	83,707	-11,467
Endangered Species Act/ Recovery Implementation.....	18,036	23,721	19,954	-3,767
Klamath Project .....	23,767	22,500	18,609	-3,891
Klamath Sedimentation/ Dam Removal Studies .....	1,897	5,000	0	-5,000
Lower Colorado River Operations Program .....	20,664	25,300	25,980	+680
Middle Rio Grande Project .....	22,684	25,095	23,572	-1,523
Native American Affairs .....	5,879	7,465	6,951	-514
Navajo-Gallup Water Supply <sup>2/</sup> .....	3,000	10,000	0	-10,000
Pick-Sloan Missouri Basin Program (excl. Garrison).....	37,913	40,357	43,586	+3,229
Rural Water Supply Projects				
Eastern New Mexico Project.....	1,000	0	0	0
Fort Peck Reservation/ Dry Prairie Rural Water System.....	8,000	2,000	493	-1,507
Garrison Diversion Unit.....	70,000	36,551	16,338	-20,213
Less Non-Rural Water Component ..	-12,900	-8,531	-9,098	-567
Jicarilla Apache Rural Water Project ...	3,000	500	496	-4
Lewis and Clark Rural Water .....	10,000	2,000	493	-1,507
Mni Wiconi Project.....	32,200	27,480	26,328	-1,152
North Central Montana/ Rural Water System.....	9,000	1,000	493	-507
Perkins County Rural Water Systems..	1,000	1,000	0	-1,000
Subtotal, Rural Water Projects.....	121,300	62,000	35,543	-26,457
Science and Technology Program .....	9,195	11,488	10,108	-1,380
Site Security.....	27,727	30,268	25,942	-4,326
WaterSMART Initiative				
Basin Studies.....	3,000	6,000	6,000	0
Cooperative Watershed Management <sup>3/</sup> .....	0	0	250	+250
WaterSMART Grants .....	18,000	27,000	18,500	-8,500
Water Conservation Field/ Services Program <sup>3/</sup> .....	6,176	7,854	5,108	-2,746
Title XVI Water Reclamation and Reuse Projects .....	13,595	29,000	29,000	0
Subtotal, WaterSMART Initiative.....	40,771	69,854	58,858	-10,996

	2010 Actual	2010 Enacted/ 2011 CR <sup>1/</sup>	2012 Request	Change
Yakima River Basin Water Enhancement Project .....	9,700	12,395	8,940	-3,455
Yuma Area Projects .....	23,508	21,420	20,954	-466
Other Project/Programs.....	218,683	181,444	176,359	-5,085
2011 CR Annualized <sup>1/</sup> .....	0	37,576	0	-37,576
<b>TOTAL Appropriation.....</b>	<b>961,158</b>	<b>951,158</b>	<b>805,187</b>	<b>-145,971</b>

<sup>1/</sup> Project level comparisons are against the 2011 President's budget. The 2010 Enacted/2011 CR column includes a balancing figure to account for this.

<sup>2/</sup> Program transitioning to the Indian Water Rights Settlements account in 2012.

<sup>3/</sup> Included in the WaterSMART initiative beginning in 2012.

## Program Highlights

The 2012 request includes funds for the following projects and programs.

### Animas-La Plata Project

In December 2000, legislation was enacted to resolve the Colorado Ute Tribes' water rights claims and allow construction of a smaller Animas La-Plata project to proceed. The reformulated project limits depletions to an average of 57,100 acre-feet per year and provides only municipal and industrial water for the Tribes and local non-Indian entities. The project is now nearing completion. The 2012 funding would provide for continued construction components of the Navajo Nation's Municipal Pipeline and the continued filling of Lake Nighthorse.

### Central Arizona Project

Funds are requested for continued work activities to include fulfilling native fish protection requirements along the San Pedro River, the Santa Cruz River, and in central Arizona at Spring Creek fish barrier; continued planning work on the New Mexico Unit; work with Tucson area municipal entities on pre-construction activities for the Tucson Northwest Reservoir; and recreation development.

### Central Valley Project

Funds are requested for continued facility operations, maintenance, rehabilitation; numerous management and development efforts; and water conservation. Funding continues support for implementation of the drainage management plan that addresses groundwater pumping, drainage reuse, and drainage treatment and salt disposal. The project continues to monitor overall drainage implementation, through on-site drainage and water quality monitoring, and geographic site conditions in order to make appropriate adjustments and to identify and develop specific projects to meet the environmental objectives of the plan. Funding also provides for the Trinity River restoration program; construction of screens on unscreened diversions; construction of the new fish screen and pumping plant at Red Bluff Diversion Dam; and related activities will be funded by the CVP Restoration Fund and California Bay-Delta appropriation.

### Colorado-Big Thompson Project

The Colorado-Big Thompson project diverts approximately 260,000 acre-feet of water annually from the Colorado River headwaters on the western slope of the Rocky Mountains for distribution to eastern slope project lands. Funding is provided for project operations and continued coordination of activities associated with conservation, enhancement, development, and restoration of fish and wildlife populations and their habitats.

### Colorado River Basin Salinity Control Program

Funds are provided for operation, maintenance, and rehabilitation of completed projects in the Upper Colorado River basin and for a basin-wide program to identify and implement cost-effective salinity control options based on proposals from non-Federal interests. The funds will be used to meet United States obligations under the 1944 Water Treaty with Mexico and subsequent Minutes to the Treaty, which clarify and resolve Treaty issues. To meet the Treaty requirements, Reclamation continues maintenance of the U.S. and Mexico bypass drains, wellfields, and conveyance systems and continues operations and delivery of Colorado River water to Mexico and management of water quality. Reclamation works to identify and evaluate the options for replacing or recovering bypass flows to Mexico, as it relates to the Yuma Desalting Plant.

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#### **Colorado River Storage Project**

Funds are requested for the Federal share of the costs of facility operations, maintenance, and rehabilitation, including the rehabilitation of recreation facilities at Reclamation constructed reservoirs. Implementation of mitigation measures continue.

#### **Columbia Basin Project**

The Bonneville Power Administration, through memorandum of agreement, directly funds power operation and maintenance costs. In addition, BPA directly funds through subagreements, major power replacements, additions, and improvements. Funds are requested for the day-to-day operation of two storage dams and reservoirs; three Grand Coulee power plants; one pump and generating plant; associated switchyards and transmission lines; the feeder canal at Grand Coulee; and the distribution canal systems for the irrigation reserved works.

#### **Columbia/Snake River Salmon Recovery**

This program implements actions required by both the Endangered Species Act and the 2008 Biological Opinion issued in May 2008 by the National Oceanic and Atmospheric Administration National Marine Fisheries Service. A separate 2000 BiOp issued by the Fish and Wildlife Service is still in effect as well. The 2008 BiOp requires extensive collaboration with States and Tribes in the Columbia River basin to ensure that operation of the Federal Columbia River Power System by the agencies is not likely to jeopardize the continued existence of endangered or threatened species, or to adversely modify or destroy their designated critical habitats. Reclamation actions include modifications to hydrosystem operations and specific actions to improve tributary habitat and hatcheries for salmon and steelhead.

#### **Dam Safety Program**

This program provides funding for the Safety of Dams Evaluation and Modification program, which identifies and evaluates Safety of Dams issues at Reclamation dams and implements modifications to reduce associated risks to the public. The request continues dam safety risk management and risk reduction activities throughout Reclamation's inventory of high- and significant-hazard dams. The program continues planned ongoing safety of dams modifications activities at Folsom Dam, California; Glendo/Guernsey Dams, Wyoming; Red Willow Dam, Nebraska; Echo Dam, Utah; and completes A.R. Bowman Dam, Oregon. Preconstruction and project formulation activities are planned for several other dams. Funds are also provided to oversee the Interior Department's Dam Safety Program.

#### **Endangered Species Recovery Implementation**

This program provides for the development and implementation of measures for the preservation, conservation, and recovery of native and endangered, threatened, proposed, and candidate species that are resident in, or migratory to, habitats affected by the operation of Reclamation projects. On-going efforts funded by this program involve the Colorado, San Juan, and Platte river basins, as well as watersheds in the Pacific Northwest and areas impacted by the Central Valley Project.

#### **Klamath Project**

The Klamath request includes funds for projects and initiatives related to improving water supplies to meet the competing demands of agricultural, tribal, wildlife refuge, and environmental needs in the Klamath River basin. Key areas of focus include continuing a water bank, making improvements in fish passage and habitat, taking actions to improve water quality, developing a basin-wide recovery plan, increasing surface and groundwater supplies, and continuing coordination of Reclamation's Conservation Implementation program.

#### **Lower Colorado River Operations Program**

This program funds work necessary to carry out the Secretary's responsibilities as water master of the lower Colorado River, including the administration of the Colorado River interim guidelines and reservoir management strategies during low reservoir conditions. It funds measures under the multi-species conservation program to provide long-term Endangered Species Act compliance for lower Colorado River operations for both Federal and non-Federal purposes.

#### **Middle Rio Grande Project**

Funds are provided for operations, maintenance, and rehabilitation of project facilities, river maintenance, and for efforts focused on the protection and recovery of the Rio Grande silvery minnow and southwestern willow flycatcher.

#### **Native American Affairs Program**

This program provides funding for efforts to promote the successful application of Reclamation's programs to Indian issues and needs; for support of Indian water rights negotiations and the implementation of enacted settlements; and for assistance to Tribes in their efforts to become self-sufficient in the management and development of their water resources.

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#### **Navajo-Gallup Water Supply Project**

This project provides funding for a reliable and sustainable municipal, industrial, and domestic water supply from the San Juan River to 43 Chapters of the Navajo Nation. Funds in 2012 are requested to initiate construction on project facilities in New Mexico between Twin Lakes and Gallup and for other selected features. Funding also provides for design data collection, design, right of way acquisition, and cultural resources activities for remaining project features. Funding for this project in 2012 can be found under the new Indian Water Rights Settlements account established in response to the Claims Resolution Act of 2010, signed on December 8, 2010, that included four new water settlements and also addressed the Navajo-Gallup Water Supply Project treated in Title X of P.L. 111-11. This new account is discussed in the Reclamation Overview section.

#### **Pick-Sloan Missouri Basin Program**

Funds are provided for the Federal share of the costs of operations, maintenance, and rehabilitation of facilities on 32 units of the Pick-Sloan Missouri Basin program.

#### **Rural Water Supply Projects**

##### *Fort Peck Reservation/Dry Prairie Rural Water System*

Funding would be used to continue construction work on the waterline from Wolf Point to Poplar. Dry Prairie Rural Water sponsors will continue planning and designing pipeline branch lines on the west end of the project boundary.

##### *Garrison Diversion Unit*

Funds are requested for financial assistance to the State of North Dakota for municipal, rural, and industrial water projects; for development of Indian municipal, rural, and industrial water and irrigation facilities; for work at several wildlife refuges; and for operation and maintenance of completed project facilities.

##### *Jicarilla Apache Reservation Rural Water System*

Funding is requested for the Jicarilla Apache Nation to complete final design and construction of authorized project facilities. This project would replace existing water and wastewater facilities in and around the town of Dulce, New Mexico and provide services to the newly developed area of Mundo Ranch.

##### *Lewis and Clark Rural Water System*

Funding would complete construction on Phase II of the water treatment plant and would maintain administrative staff. The completed project would address concerns regarding the low quality, contamination vulnerability, and insufficient supply of existing drinking water sources throughout the project area.

##### *Mni Wiconi Project*

Funds are requested for construction activities on the Oglala Sioux and Rosebud Sioux Indian reservations and the West River/Lyman-Jones rural water systems; and for operation and maintenance of new and existing facilities on the Indian reservations.

##### *North Central Montana Rural Water System (Rocky Boys)*

Continues oversight associated with management of the project and continues funding for constructing phase I of the water treatment plant. The rural water system will serve an estimated population of 43,000 at full build-out.

#### **Science and Technology Program**

Funds are requested for development of new solutions and technologies that respond to Reclamation's mission-related needs, which provide for innovative management, development, and protection of water and related resources. Additionally, this program supports Interior's integrated strategy for responding to changing climate impacts on the resources managed by the Department.

#### **Site Security**

Funds are requested to continue Reclamation's on-going site security efforts including physical security upgrades at high risk critical assets; law enforcement; risk and threat analysis; personnel security; information security; security risk assessments and security-related studies; and guards and patrol of facilities. The 2012 budget request assumes reimbursement of approximately \$20.2 million, as indexed for inflation, for security operations and maintenance.

#### **WaterSMART Initiative**

Funds support the Department's WaterSMART initiative, which concentrates on expanding and stretching limited water supplies in the West to reduce conflict, facilitate solutions to complex water issues, meet the growing needs of expanding municipalities, the environment, and agriculture as well as respond to the increasing stresses on water management due to a changing environment.

The WaterSMART initiative includes the WaterSMART grants, Reclamation's Basin Study program, Title XVI Water Reclamation and Reuse program, and, beginning in 2012, the ongoing Water Conservation Field Services program and participation in the Cooperative Watershed Management program. Through these programs, Reclamation will continue to provide competitive cost-shared financial assistance for water and energy efficiency improvements, and other activities that enhance water management; will conduct basin-wide activities supporting Landscape Conservation Cooperatives and the Department of the Interior's integrated strategy for responding to new weather patterns in a changing environment; will continue funding of water reclamation and reuse projects through Reclamation's Title XVI program; will continue funding of smaller-scale water conservation improvements and planning efforts through the Water Conservation Field Services program; and will assist the Department in efforts with implementing expanding collaborative watershed groups through the Cooperative Watershed Management program.

#### **Yakima Project/River Basin Enhancement Project**

Work includes operation and maintenance of existing facilities and the implementation of water conservation actions; fish and wildlife improvements; and other measures authorized by the Yakima River Basin Water Enhancement Act. Funding is also included to continue implementation of the Yakama Nation's water conservation plans.

#### **Yuma Area Projects**

The request funds infrastructure maintenance along the lower Colorado River necessary to ensure uninterrupted water delivery to both urban and agricultural users in Arizona, Nevada, and California, and to Mexico. Funding also supports river management, well inventory, drainage control, protection of endangered species and their habitat, and land use management activities.

### **APPROPRIATION: Policy and Administration**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Change
TOTAL APPROPRIATION .....	61,200	61,200	60,000	-1,200

#### ***Program Highlights***

##### **Policy and Administration**

This appropriation funds Reclamation's centralized management functions, and supports management and administrative activities that are not directly chargeable to a specific project or program.

### **APPROPRIATION: Central Valley Project Restoration Fund**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Change
Fish and Wildlife Resources Habitat .....	30,508	30,508	39,744	+9,236
Fish and Wildlife Resources Mgmt.....	4,850	4,850	13,324	+8,474
TOTAL APPROPRIATION .....	35,358	35,358	53,068	+17,710

#### ***Program Highlights***

##### **Central Valley Project Restoration Fund**

Funds collected from project beneficiaries are used for protection, restoration, and enhancement of fish and wildlife and associated habitat in the Central Valley area of California. Programs are planned in cooperation with the Fish and Wildlife Service and Bureau of Reclamation. The discretionary receipts are adjusted annually to maintain payments totaling \$30.0 million, indexed to October 1992 price levels, on a three-year rolling average basis.

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**APPROPRIATION: California Bay-Delta Restoration**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Change
TOTAL APPROPRIATION .....	40,000	40,000	39,651	-349

***Program Highlights***

## California Bay-Delta Restoration

This account funds activities that are authorized by the CALFED Bay-Delta Authorization Act signed into law on October 25, 2004, and extended through 2014 along with new and expanded authorities by the Energy and Water Development and Related Agencies Appropriations Act, 2010. The account focuses on the health of the Bay-Delta ecosystem and improving water management and supplies. Funds are requested for the new program activities: Renewed Federal State Partnership, Smarter Water Supply and Use, and to address the degraded Bay-Delta ecosystem, which is based on the Interim Federal Action Plan for the California Bay-Delta issued December 22, 2009.

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**APPROPRIATION: San Joaquin Restoration Fund**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Change
TOTAL APPROPRIATION .....	0	0	9,000	+9,000

***Program Highlights***

## San Joaquin Restoration Fund

The source of the San Joaquin Restoration funding, user fees and repayment receipts, is from the Friant Division long-term contractors and other Federal and non-Federal sources to implement the provisions described in the Settlement for the *National Resources Defense Council (NRDC) et. al. v. Rodgers*. The Settlement's two primary goals are to: restore and maintain fish populations in "good condition" in the main stem of the San Joaquin River below Friant Dam to the confluence of the Merced River, including naturally reproducing and self-sustaining populations of salmon and other fish; and reduce or avoid adverse water supply impacts to all of the Friant Division long-term contractors that may result from the Interim Flows and Restoration flows provided for in the Settlement.

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**APPROPRIATION: Indian Water Rights Settlements**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Change
White Mountain Apache Tribe				
Water Rights Quantification Act .....	0	0	4,950	+4,950
Crow Tribe Rights Settlement Act .....	0	0	8,336	+8,336
Taos Indian Water Rights Settlement Act	0	0	4,000	+4,000
Aamodt Litigation Settlement Act.....	0	0	9,400	+9,400
Navajo-Gallup Water Supply .....	0	0	24,797	+24,797
TOTAL APPROPRIATION .....	0	0	51,483	+51,483

***Program Highlights***

## White Mountain Apache Tribe Water Rights Quantification Act

Funds will be used to plan, design, construct, operate, maintain, replace, and rehabilitate a rural water system to serve the White Mountain Apache Tribe.

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#### Crow Tribe Rights Settlement Act

Reclamation will serve as the lead agency to implement the two major components of the Crow Tribe Water Rights Settlement Act. Reclamation will: rehabilitate and improve the Crow Irrigation Project under which Reclamation shall carry out such activities as are necessary to rehabilitate and improve the water diversion and delivery features of the CIP; and design and construct a Municipal, Rural, and Industrial System under which Reclamation shall plan, design, and construct the water diversion and delivery features of the MR&I System, in accordance with one or more agreements between the Secretary and the Tribe.

#### Taos Indian Water Rights Settlement Act

Funds will be used to begin the planning and design of potential mutual-benefit projects and then to provide grants to non-tribal entities to minimize adverse impacts on the Pueblo's water resources by pumping future non-Indian ground water away from the Pueblo's Buffalo Pasture; and implement the resolution of a dispute over the allocation of certain surface water flows between the Pueblo and non-Indian irrigation water right owners in the community of Arroyo Seco Arriba.

#### Aamodt Litigation Settlement Act

Funds will be used to plan, design, and construct a regional water system in accordance with the Settlement Agreement, to be known as the Regional Water System. The system will divert and distribute water to the Pueblos and the County Water utility and include treatment, transmission, storage and distribution facilities, and well fields to meet water delivery requirements.

#### Navajo-Gallup Water Supply Project

The project as currently planned will create a reliable and sustainable municipal, industrial, and domestic water supply from the San Juan River to 43 Chapters of the Navajo Nation. Funds in 2012 are requested to initiate construction on project facilities in New Mexico between Twin Lakes and Gallup and for other selected features. Funding also provides for design data collection, design, rights-of-way acquisition, and cultural resources activities for remaining project features.



# CENTRAL UTAH PROJECT

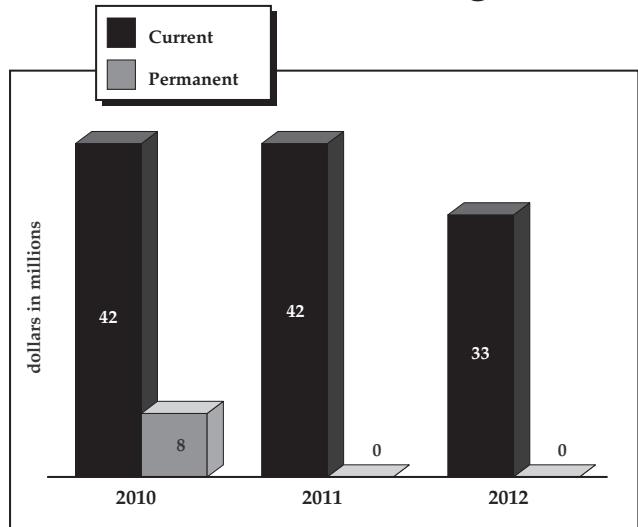
**Mission** – The purpose of this program is to complete the Central Utah Project in an environmentally sound and timely manner.

**Budget Overview** – The 2012 Central Utah Project budget request is \$33.0 million, which is \$9.0 million below the 2010 Enacted/2011 CR level. The request continues to implement water management improvement projects; provides funding for design and construction of Utah Lake System pipelines; provides for recovery of endangered species; and implements fish, wildlife, and recreation mitigation and conservation projects. The budget includes a \$12.3 million reduction in the Utah Lake System construction activities. The request includes an increase of \$4.1 million for the Provo Reservoir Canal Enclosure Project, which will conserve 8,000 acre-feet of water to be dedicated to the June sucker, a primary goal of CUPCA.

The 2012 budget request includes \$28.5 million for planning and construction activities administered by the District for project construction; \$1.0 million for mitigation and conservation activities funded through the program office; \$1.5 million for program administration; and \$2.0 million for mitigation and conservation activities funded through the Mitigation and Conservation account.

In the 2012 President's budget request, the Western Area Power Association proposes to transfer approximately

## CUPCA Funding



\$3.4 million to the Utah Reclamation Mitigation and Conservation Commission.

**Management Efficiencies** – The 2012 budget request includes reductions that reflect the management efficiency efforts proposed in 2011 in information technology and strategic sourcing, totaling \$37,000.

## CENTRAL UTAH PROJECT COMPLETION ACT FACTS

- Established in 1992.
- Distributes responsibility for completion of the Central Utah Project among the stakeholders.
- Makes construction of the remainder of the Central Utah Project the responsibility of the local Central Utah Water Conservancy District.
- Assigns responsibility for mitigating the environmental effects of the Central Utah Project to the Utah Reclamation Mitigation and Conservation Commission.
- Holds the Department of the Interior responsible for oversight of the project.
- Provides 62,000 acre-feet of water for irrigation of over 30,000 acres and 94,750 acre-feet for municipal and industrial purposes, meeting the needs of approximately 400,000 people.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted /		2012 Request		Change	
	FTE	2011 CR Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Central Utah Project Completion Account.....	5	40,504	5	30,991	0	-9,513
Utah Reclamation Mitigation and Conservation ...	0	1,500	0	2,000	0	+500
Subtotal, Appropriations.....	5	42,004	5	32,991	0	-9,013
<b>Permanents and Trusts</b>						
Utah Reclamation Mitigation and Conservation ...	12	0	12	0	0	0
Subtotal, Permanents and Trusts .....	12	0	12	0	0	0
<b>TOTAL, CENTRAL UTAH PROJECT .....</b>	<b>17</b>	<b>42,004</b>	<b>17</b>	<b>32,991</b>	<b>0</b>	<b>-9,013</b>

### HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

#### APPROPRIATION: Central Utah Project Completion Account

	2010 Enacted /		2012 Request	Net Change
	2010 Actual	2011 CR		
Central Utah Project Construction.....	37,686	37,686	28,487	-9,199
Mitigation and Conservation .....	1,114	1,114	954	-160
Program Administration.....	1,704	1,704	1,550	-154
<b>TOTAL APPROPRIATION .....</b>	<b>40,504</b>	<b>40,504</b>	<b>30,991</b>	<b>-9,513</b>

#### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted/2011 CR</u>	2012 Change from <u>2010 Enacted/2011 CR</u>
<b>TOTAL APPROPRIATION .....</b>	<b>-9,513</b>	
Central Utah Project Construction.....	-9,199	Program Administration..... -154
Construction, Utah Lake System .....	-12,313	Program Office - Administrative Costs..... -117
Groundwater Conjunctive Use Program.....	-1,000	2011 Interior-wide and Bureau Management Efficiencies ..... -37
Water Conservation Projects.....	+4,114	
Mitigation and Conservation .....	-160	
Operating Hatcheries and Mitigation Projects		
Outside of Utah .....	-160	

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**APPROPRIATION: Utah Reclamation Mitigation and Conservation Account**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	1,500	1,500	2,000	+500

***Detail of Budget Changes***

2012 Change from  
2010 Enacted/2011 CR

TOTAL APPROPRIATION ..... +500

Title III Fish, Wildlife, Recreation and  
Conservation Projects ..... +571  
Other Mitigation Measures..... -71





# U.S. GEOLOGICAL SURVEY

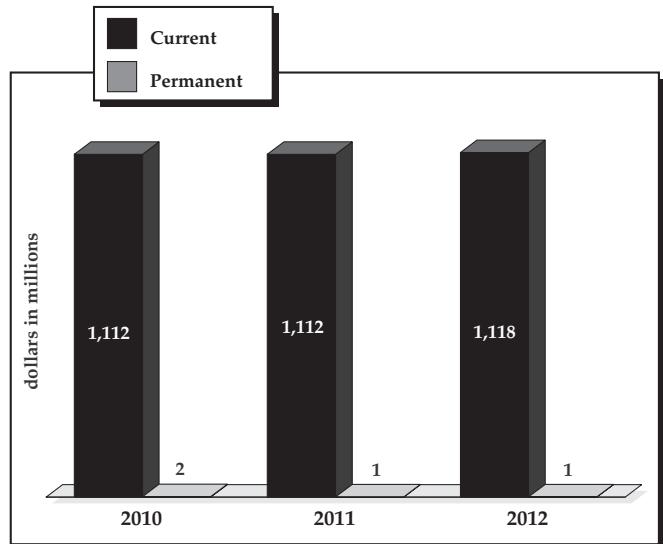
**Mission** – The mission of the U.S. Geological Survey is to provide reliable and objective scientific information to describe and understand the Earth, minimize loss of life and property from natural disasters, and assist others in managing water, biological, geological, geographical, and other natural resources.

**Budget Overview** – The 2012 USGS budget request is \$1.1 billion, which is \$6.1 million above the 2010 Enacted/2011 CR level. The 2012 budget focuses on activities that closely align with mission priorities, eliminates congressional earmarks, and reduces funding in lower priority or under-performing programs across USGS. The 2012 USGS budget request has been realigned from the traditional disciplines to a structure that ties to the six USGS science strategies. The budget request includes a new account for the National Land Imaging Program, which will allow independent tracking of expenditures for this program that provides for the operation, maintenance, and development of a continuous program of Landsat satellites that will ensure continuity of global land cover data.

While the 2012 USGS budget is requesting increases for ecosystems, energy, Cooperative Landscape Conservation, and funding to establish a continuous national land imaging program, the USGS budget also includes \$89.1 million in program reductions in long-standing programs to focus resources on priority areas. These program reductions will necessitate staff reductions of approximately 230 full-time equivalents that will be accomplished through attrition, Voluntary Separation Incentives Payments/Voluntary Early Retirement Authority actions, and a possible reduction-in-force. The USGS request includes \$5.9 million to help pay for the cost of staff reductions in 2012.

**New Energy Frontier** – The 2012 budget provides \$6.6 million for the Secretary's New Energy Frontier initiative, \$3.0 million above 2010 Enacted/2011 CR. The USGS will work closely with Interior bureaus to provide the scientific information they need to make informed decisions concerning the permitting, implementation, and operation of wind power generation facilities on public

## USGS Funding



lands. In 2012, the USGS will use the increase to assess the ecological impacts of projected large-scale development of windfarms in the Great Plains and offshore in the Atlantic Ocean.

**Cooperative Landscape Conservation** – The 2012 budget includes \$72.9 million as part of Department-wide efforts to address changes being experienced on public lands and assist in the development of adaptation strategies. This amount is \$9.7 million above 2010 Enacted/2011 CR. The USGS is shifting resources from the Climate Effects Network to complete the stand-up of Climate Science Centers in 2012. The Climate Science Centers will provide the scientific base for land and water management decisions related to changing climates. The budget also includes an increase of \$4.3 million to expand research on carbon sequestration.

**WaterSMART** – The 2012 budget provides \$10.9 million for USGS activities in the WaterSMART initiative, \$9.0 million above the 2010 Enacted/2011 CR level, to implement the WaterSMART Availability and Use Assessment. The USGS will conduct comprehensive water supply and demand inventories to provide the baseline information

## U.S. GEOLOGICAL SURVEY FACTS

- **Founded by an Act of Congress in 1879.**
- **The Nation's largest water, earth, and biological science and civilian mapping agency.**
- **Employs 8,500 scientists, technicians, and support staff working in more than 400 locations throughout the United States.**
- **With over 2,000 strategic partnerships, USGS is a primary Federal source of science-based information on ecosystem science, climate and land use change, energy resources, mineral resources, environmental impacts, natural hazards, water resource use and availability, and updated maps and images for the Earth's features available to the public.**
- **Member of the long-term planning science team established by the Department of the Interior in May 2010 in response to the Deepwater Horizon Spill.**

needed by public and private water managers to work toward sustainable water supplies. This effort will include estimating freshwater resources, how those supplies are distributed, and how they are changing over time; evaluating factors affecting water availability including energy development, changes in agricultural practices, increasing population, and competing priorities for limited water resources; and assessing water use and distribution for human, environmental, and wildlife needs.

**Youth in the Great Outdoors** – The 2012 budget request includes \$3.4 million for the Secretary's Youth initiative, which is \$1.6 million below 2010 Enacted/2011 CR. The USGS will continue to provide education, training, and workshop opportunities through coursework and internships for high school and college students, although fewer opportunities will be available at the lower funding level. This science center based activity provides opportunities for youth to work with USGS scientists and staff in research.

**Ecosystems** – The 2012 budget request includes \$166.4 million for the Ecosystems activity, which is \$836,000 above the 2010 Enacted/2011 CR level. Through the Ecosystems activity, USGS conducts research and monitoring, and organizes scientific information focused on understanding how ecosystems and their inhabitants are structured and function. Information generated by the Ecosystems activity helps improve management of the Nation's natural resources and hazards that threaten its land, coastlines, and population. The USGS will focus on five high priority ecosystems, including the Everglades, Chesapeake Bay, and Great Lakes and will address a variety of issues including habitat and wildlife protection and restoration, toxic substances, invasive species, and partnership programs for accountability, education, monitoring, evaluation, and communication for these ecosystems. For the Chesapeake Bay, the increase will

improve water quality monitoring to assess progress toward reducing sediment and nutrients in the Bay watershed. The increase for the Great Lakes Restoration initiative will expand Asian carp control science that includes developing a selective toxin that targets only Asian carp, pheromone research, developing seismic technology (hydroguns), and determining spawning requirements and identifying potential spawning areas.

**Climate and Land Use Change** – The 2012 budget provides a total of \$106.4 million for Climate and Land Use Change. This activity provides practical, user-focused scientific information to facilitate adaptation to changes on various landscapes. The proposed budget for Climate Variability is \$72.9 million, an increase of \$9.7 million above 2010 Enacted/2011 CR. The changes proposed in 2012 include a reduction of \$9.0 million reflecting deferral of the Climate Effects Network and an increase of \$10.4 million to support the full deployment of the Climate Science Centers. This subactivity includes an increase of \$4.3 million for carbon sequestration methodology and assessment. The program also conducts research on the effects of climate change on the Nation's natural resources; develops tools and protocols for assessment and monitoring of changes on the landscape; and establishes partnerships with other Interior bureaus, universities, and stakeholders in building an understanding of climate impacts and adaptation strategies.

The 2012 budget request for Land Use Change is \$33.5 million, \$41.4 million below the 2010 Enacted/2011 CR level. The majority of this reduction reflects the transfer of funds to a newly established account for the Landsat program. The Land Use Change subactivity ensures satellite imagery is available and accessible to users and includes analysis of this data to quantify rates of land use change, identify key driving forces, and forecast future trends of landscape change.

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**Energy, Minerals, and Environmental Health** – The 2012 budget includes \$88.5 million for Energy, Minerals, and Environmental Health, \$13.0 million below 2010 Enacted/2011CR. This activity includes programs that conduct research and assessments on the location, quantity, and quality of the Nation's mineral and energy resources. The activity also conducts research on the environmental impacts of human activities that introduce chemical and pathogenic contaminants into the environment and threaten human, animal, and ecological health. Reductions in the Mineral Resources program would eliminate lowest priority research and assessment activities and delay the completion of the next National Mineral Resource Assessment. Reductions in the Toxic Substances Hydrology and Contaminant Biology activities reflect the elimination of redundancies in these programs resulting from the bureau's realignment to science strategy activities.

**Natural Hazards** – The 2012 budget provides \$133.9 million for Natural Hazards, \$5.1 million below 2010 Enacted/2011 CR. This activity will provide the scientific information and knowledge necessary to reduce fatalities, injuries, and economic loss from volcanoes, earthquakes, and earthquake-induced tsunamis, landslides, and liquefaction.

**Water Resources** – The 2012 budget request includes \$199.6 million for Water Resources, \$21.6 million below the 2010 Enacted/2011 CR level. This activity includes programs for collection, management, and dissemination of hydrologic data, analysis of hydrologic systems through modeling or statistical methods, and research and development leading to new methods and new understanding, with a focus on water conservation. One component builds on efforts to leverage funds with State, local, and tribal partners to support the national network of streamgages, wells, and monitoring sites. Reductions in the Groundwater Resources, National Water Quality Assessment, and Water Resources Research Act programs will result in the cessation of some regional groundwater studies, discontinue water quality monitoring of select streams across the Nation, and end the Federal-State partnership in water resources research education and research opportunities.

**Core Science Systems** – The 2012 budget provides \$105.9 million for Core Science Systems, \$19.0 million below 2010 Enacted/2011 CR. This activity provides the Nation with access to science information in a geospatial framework for use in managing natural resources and response planning for natural hazards. Data archives for biology and geology and the spatial data in The National Map are accessible to scientists and the public and provide critical data about the Earth, its complex

processes, and its natural resources. Reductions in this activity will eliminate the National Biological Information Infrastructure and the National Geological and Geophysical Data Preservation Program; new information will not be added to national databases for scientific and public access. USGS will reduce Federal and State partnership funding in the National Cooperative Geologic Mapping Program, limiting the number of cooperative geologic mapping projects completed.

**Administration and Enterprise Information** – The 2012 budget includes \$116.6 million for Administration and Enterprise Information, \$1.4 million above the 2010 Enacted/2011 CR level. This increase funds costs associated with staff reductions resulting from 2012 program reductions.

**Facilities** – The 2012 budget provides \$100.8 million for Facilities, which is \$5.6 million below the 2010 Enacted/2011 CR level. Funds for this activity provide safe, functional workspace, laboratories, and other facilities needed to accomplish the bureau's scientific mission. The reduction in facilities will encourage bureau-wide consolidations, particularly at field sites, to reduce space inventories and associated costs.

**National Land Imaging** – The 2012 budget provides a total of \$99.8 million in a new account for the National Land Imaging Program, an increase of \$59.6 million from Landsat funding at the 2010 Enacted/2011 CR level. This new account is established to carry out the Department of the Interior's Landsat role in land imaging and remote sensing under the President's National Space Policy. There is an increase of \$13.4 million for Landsat 8 operations that will be used to complete the retooling of the ground receiving stations to receive data from the new instruments on Landsat 8, expected to be launched in December 2012. The budget also provides \$48.0 million for planning activities with the National Aeronautics and Space Administration for Landsat 9. These activities include gathering and prioritizing Federal user community requirements for land image data, conducting trade studies on key design alternatives related to the development of the imaging device, initiating the procurement process through NASA for the Landsat 9 instrument and spacecraft, and establishing a science advisory team. The activities in this program are managed under the Climate and Land Use Change mission area.

**Fixed Costs** – The budget includes \$1.9 million for fixed costs.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to

curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, the USGS budget includes \$11.8 million in savings in 2012 against actual 2010 expenditures in the following activities: \$4.4 million for travel and transportation of persons, \$560,000 for transportation of things, \$252,000 for printing and reproduction, \$2.5 million for advisory

and assistance services, and \$4.1 million for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$8.4 million in travel and relocation, information technology, and strategic sourcing, and a total of \$3.3 million in bureau-specific efficiencies.

## SUMMARY OF BUREAU APPROPRIATIONS (all dollar amounts in thousands)

### *Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted / 2011 CR		2012 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Surveys, Investigations, and Research.....	5,432	1,111,740	5,206	1,018,037	-226	-93,703
National Land Imaging .....	0	0	40	99,817	+40	+99,817
Subtotal, Appropriations.....	5,432	1,111,740	5,246	1,117,854	-186	+6,114
<b>Permanents and Trust Funds</b>						
Operations and Maintenance of Quarters .....	0	67	0	83	0	+16
Contributed Funds.....	0	1,247	0	1,279	0	+32
Subtotal, Permanents and Trust Funds.....	0	1,314	0	1,362	0	+48
<b>Reimbursables, Allocations, and Other</b>						
Reimbursables .....	2,836	0	2,836	0	0	0
Allocations .....	17	0	17	0	0	0
Working Capital Fund.....	278	0	234	0	-44	0
Subtotal, Reimbursables, Allocations, and Other	3,131	0	3,087	0	-44	0
<b>TOTAL, U. S. GEOLOGICAL SURVEY.....</b>	<b>8,563</b>	<b>1,113,054</b>	<b>8,333</b>	<b>1,119,216</b>	<b>-230</b>	<b>+6,162</b>

**HIGHLIGHTS OF BUDGET CHANGES**  
**By Appropriation Activity/Subactivity**

**APPROPRIATION: Surveys, Investigations, and Research**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
<b>Ecosystems</b>				
Status and Trends .....	22,877	22,877	22,079	-798
Fisheries: Aquatic and Endangered Resources .....	24,674	24,674	22,660	-2,014
Wildlife: Terrestrial and Endangered Resources .....	50,116	50,116	48,544	-1,572
Terrestrial, Freshwater and Marine Environments.....	37,227	37,227	40,230	+3,003
Invasive Species.....	11,380	11,380	14,086	+2,706
Cooperative Research Units .....	19,313	19,313	18,824	-489
Subtotal, Ecosystems .....	165,587	165,587	166,423	+836
<b>Climate and Land Use Change</b>				
Climate Variability .....	63,177	63,177	72,919	+9,742
Land Use Change .....	74,842	74,842	33,486	-41,356
Subtotal, Climate and Land Use Change	138,019	138,019	106,405	-31,614
<b>Energy, Minerals, and Environmental Health</b>				
Mineral Resources.....	53,780	53,780	44,164	-9,616
Oil Spill Supplemental .....	500	0	0	0
Energy Resources .....	27,237	27,237	27,392	+155
Contaminants.....	9,411	9,411	8,695	-716
Toxic Substances Hydrology .....	11,084	11,084	8,267	-2,817
Subtotal, Energy, Minerals, and Environmental Health .....	102,012	101,512	88,518	-12,994
<b>Natural Hazards</b>				
Earthquake Hazards .....	57,021	57,021	52,326	-4,695
Volcano Hazards .....	24,421	24,421	23,359	-1,062
Landslide Hazards .....	3,405	3,405	3,278	-127
Global Seismographic Network.....	5,778	5,778	5,332	-446
Geomagnetism.....	2,138	2,138	2,073	-65
Coastal and Marine Geology .....	46,188	46,188	47,501	+1,313
Subtotal, Natural Hazards .....	138,951	138,951	133,869	-5,082
<b>Water Resources</b>				
Groundwater Resources.....	9,714	9,714	6,947	-2,767
National Water Quality Assessment ....	66,507	66,507	57,540	-8,967
National Streamflow Information Program.....	27,732	27,732	26,913	-819
Hydrologic Research and Development	13,822	13,822	12,008	-1,814
Hydrologic Networks and Analysis.....	31,387	31,387	33,940	+2,553
Cooperative Water Program.....	65,561	65,561	62,252	-3,309
Water Resources Research Act Program	6,500	6,500	0	-6,500
Subtotal, Water Resources.....	221,223	221,223	199,600	-21,623
<b>Core Science Systems</b>				
Biological Information Management and Delivery .....	24,946	24,946	15,113	-9,833
National Geological and Geophysical Data Preservation Program .....	1,000	1,000	0	-1,000
National Cooperative Geologic Mapping	28,163	28,163	25,397	-2,766

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
National Geospatial Program.....	70,748	70,748	65,365	-5,383
Subtotal, Core Science Systems.....	124,857	124,857	105,875	-18,982
<b>Administration and Enterprise Information</b>				
Science Support .....	69,225	69,225	79,620	+10,395
Security and Technology .....	26,263	26,263	21,072	-5,191
Information Resources .....	19,706	19,706	15,863	-3,843
Subtotal, Administration and Enterprise Information.....	115,194	115,194	116,555	+1,361
<b>Facilities</b>				
Rental Payments and Operations and Maintenance.....	99,076	99,076	93,485	-5,591
Deferred Maintenance and Capital Improvement .....	7,321	7,321	4,807	-2,514
Construction*.....	0	0	2,500	+2,500
Subtotal, Facilities .....	106,397	106,397	100,792	-5,605
<b>TOTAL APPROPRIATION</b> .....	<b>1,112,240</b>	<b>1,111,740</b>	<b>1,018,037</b>	<b>-93,703</b>

\* See Appendix N for proposed 2012 construction projects.

### ***Detail of Budget Changes***

	<u>2012 Change from 2010 Enacted/2011 CR</u>	<u>2012 Change from 2010 Enacted/2011 CR</u>
<b>TOTAL APPROPRIATION</b> .....	-93,703	
Ecosystems		
Status and Trends.....	-798	
Regional Realignment .....	-185	
Enterprise Publishing Network .....	-131	
2011 Interior-wide and Bureau Management Efficiencies .....	-244	
2012 Administrative Savings.....	-238	
Fisheries: Aquatic & Endangered Resources.....	-2,014	
WaterSMART .....	+500	
Aquatic Drug Registration.....	-700	
Multiple Earmarks .....	-970	
Regional Realignment .....	-200	
Enterprise Publishing Network .....	-134	
2011 Interior-wide and Bureau Management Efficiencies .....	-263	
2012 Administrative Savings.....	-247	
Wildlife: Terrestrial and Endangered Resources .....	-1,572	
Ecosystem Restoration - Columbia River .....	+200	
Regional Realignment .....	-406	
Enterprise Publishing Network .....	-288	
2011 Interior-wide and Bureau Management Efficiencies .....	-534	
2012 Administrative Savings.....	-544	
Terrestrial, Freshwater and Marine Environments .....	+3,003	
Multi-Hazards Initiative .....	+200	
Ecosystem Restoration - Chesapeake Bay .....	+4,614	
Ecosystem Restoration - Columbia River .....	+300	
Ecosystem Restoration - Puget Sound .....	+500	
Ecosystem Restoration - Upper Mississippi River .....	+450	
Multiple Earmarks .....	-1,600	
Regional Realignment .....	-342	
Climate and Land Use Change		
Climate Variability .....	+9,742	
DOI Climate Science Centers .....	+11,000	
Climate Research and Development .....	+1,000	
Carbon Sequestration .....	+2,000	
Science Support for DOI Bureaus .....	+4,000	
Ecosystem Restoration California Bay-Delta .....	+2,600	
Climate Research and Development (CEN).....	-9,022	
Regional Realignment .....	-239	
Enterprise Publishing Network .....	-372	
2011 Interior-wide and Bureau Management Efficiencies .....	-453	
2012 Administrative Savings.....	-772	

## ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>	
Land Use Change .....	-41,356	Volcano Hazards .....	-1,062
Multi-Hazards Initiative .....	+250	Multi-Hazards Initiative .....	+1,500
WaterSMART .....	+500	National Volcano Early Warning System.....	-1,500
National Land Imaging Transfer.....	-40,150	Multiple Earmarks .....	-250
Regional Realignment .....	-872	Regional Realignment .....	-188
Enterprise Publishing Network .....	-171	Enterprise Publishing Network .....	-98
2011 Interior-wide and Bureau		2011 Interior-wide and Bureau	
Management Efficiencies .....	-515	Management Efficiencies .....	-270
2012 Administrative Savings .....	-398	2012 Administrative Savings .....	-256
Energy, Minerals, and Environmental Health		Landslide Hazards .....	-127
Mineral Resources .....	-9,616	Regional Realignment .....	-32
Multi-Hazards Initiative .....	+50	Enterprise Publishing Network .....	-14
Minerals External Research Program.....	-250	2011 Interior-wide and Bureau	
Minerals Resources .....	-7,200	Management Efficiencies .....	-48
Multiple Earmarks .....	-650	2012 Administrative Savings .....	-33
Regional Realignment .....	-497	Global Seismographic Network .....	-446
Enterprise Publishing Network .....	-199	Multiple Earmarks .....	-250
2011 Interior-wide and Bureau		Regional Realignment .....	-53
Management Efficiencies .....	-361	Enterprise Publishing Network .....	-22
2012 Administrative Savings .....	-509	2011 Interior-wide and Bureau	
Energy Resources .....	+155	Management Efficiencies .....	-85
New Energy Frontier .....	+3,000	2012 Administrative Savings .....	-36
Energy Resources .....	-2,000	Geomagnetism .....	-65
Regional Realignment .....	-245	Regional Realignment .....	-19
Enterprise Publishing Network .....	-123	Enterprise Publishing Network .....	-9
2011 Interior-wide and Bureau		2011 Interior-wide and Bureau	
Management Efficiencies .....	-186	Management Efficiencies .....	-18
2012 Administrative Savings .....	-291	2012 Administrative Savings .....	-19
Contaminants .....	-716	Coastal and Marine Geology .....	+1,313
Ecosystem Restoration - Columbia River .....	+100	Coastal and Marine Spatial Planning .....	+8,000
Contaminants .....	-500	Ecosystem Restoration - Puget Sound .....	+400
Regional Realignment .....	-77	Coastal and Marine Research and Coordination...	-3,500
Enterprise Publishing Network .....	-40	Extended Continental Shelf .....	-2,000
2011 Interior-wide and Bureau		Regional Realignment .....	-388
Management Efficiencies .....	-100	Enterprise Publishing Network .....	-200
2012 Administrative Savings .....	-99	2011 Interior-wide and Bureau	
Toxic Substances Hydrology .....	-2,817	Management Efficiencies .....	-483
Ecosystem Restoration - Columbia River .....	+100	2012 Administrative Savings .....	-516
Toxics Substances Hydrology .....	-2,500	Water Resources	
Regional Realignment .....	-104	Groundwater Resources .....	-2,767
Enterprise Publishing Network .....	-38	WaterSMART .....	+1,100
2011 Interior-wide and Bureau		Groundwater Resources .....	-2,000
Management Efficiencies .....	-180	Multiple Earmarks .....	-1,480
2012 Administrative Savings .....	-95	Regional Realignment .....	-104
Natural Hazards		Enterprise Publishing Network .....	-70
Earthquake Hazards .....	-4,695	2011 Interior-wide and Bureau	
Earthquake Grants .....	-2,000	Management Efficiencies .....	-132
Multiple Earmarks .....	-1,000	2012 Administrative Savings .....	-81
Regional Realignment .....	-399	National Water Quality Assessment .....	-8,967
Enterprise Publishing Network .....	-220	Ecosystem Restoration - Columbia River .....	+100
2011 Interior-wide and Bureau		Ecosystem Restoration - Upper Mississippi River ..	+350
Management Efficiencies .....	-531	National Water Quality Assessment Program .....	-6,728
2012 Administrative Savings .....	-545	Regional Realignment .....	-484
		Enterprise Publishing Network .....	-582
		2011 Interior-wide and Bureau	
		Management Efficiencies .....	-981

## ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted/2011 CR</u>		2012 Change from <u>2010 Enacted/2011 CR</u>
2012 Administrative Savings .....	-642		
National Streamflow Information Program .....	-819		
Ecosystem Restoration - Columbia River .....	+100		
Ecosystem Restoration - Upper Mississippi River ..	+200		
Regional Realignment .....	-346		
Enterprise Publishing Network .....	-272		
2011 Interior-wide and Bureau			
Management Efficiencies .....	-232		
2012 Administrative Savings .....	-269		
Hydrologic Research and Development.....	-1,814		
Ecosystem Restoration - Puget Sound .....	+300		
Multiple Earmarks .....	-1,600		
Regional Realignment .....	-104		
Enterprise Publishing Network .....	-121		
2011 Interior-wide and Bureau			
Management Efficiencies .....	-162		
2012 Administrative Savings .....	-127		
Hydrologic Networks and Analysis.....	+2,553		
WaterSMART .....	+6,400		
Multiple Earmarks .....	-1,346		
Regional Realignment .....	-1,351		
Enterprise Publishing Network .....	-344		
2011 Interior-wide and Bureau			
Management Efficiencies .....	-410		
2012 Administrative Savings .....	-396		
Cooperative Water Program.....	-3,309		
Regional Realignment .....	-969		
Enterprise Publishing Network .....	-630		
2011 Interior-wide and Bureau			
Management Efficiencies .....	-994		
2012 Administrative Savings .....	-716		
Water Resources Research Act Program.....	-6,500		
Water Resources Research Act .....	-6,499		
2011 Interior-wide and Bureau			
Management Efficiencies .....	-1		
Core Science Systems			
Biological Information Management and Delivery .....	-9,833		
National Biological Information Infrastructure.....	-6,728		
State Conservation Data Agencies.....	-572		
Multiple Earmarks .....	-1,628		
Regional Realignment .....	-316		
Enterprise Publishing Network .....	-69		
2011 Interior-wide and Bureau			
Management Efficiencies .....	-252		
2012 Administrative Savings .....	-268		
National Geological and Geophysical			
Data Preservation Program .....	-1,000		
National Cooperative Geologic Mapping .....	-2,766		
WaterSMART .....	+500		
National Cooperative Geologic			
Mapping Federal and State Partnerships .....	-2,500		
Regional Realignment .....	-178		
Enterprise Publishing Network .....	-114		
Facilities			
Rental Payments and Operations and Maintenance....	-5,591		
Rent and Operations and Maintenance Savings ...	-4,500		
Shared Programs .....	-2,973		
Fixed Costs .....	+3,336		
2011 Interior-wide and Bureau			
Management Efficiencies .....	-1,454		
Deferred Maintenance and Capital Improvement .....	-2,514		
Construction - Internal Transfer.....	-2,500		
2011 Interior-wide and Bureau			
Management Efficiencies .....	-14		
Construction			
Deferred Maintenance - Internal Transfer .....	+2,500		

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**APPROPRIATION: National Land Imaging**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
National Land Imaging .....	0	0	99,817	+99,817
TOTAL APPROPRIATION .....	0	0	99,817	+99,817

*Detail of Budget Changes*

2012 Change from  
2010 Enacted / 2011 CR

TOTAL APPROPRIATION .....+99,817

National Land Imaging

Landsat 9 .....	+48,000
National Land Imaging Transfer.....	+40,150
Landsat 8 Ground Systems.....	+13,350
Enterprise Publishing Network .....	-510
2012 Administrative Savings .....	-1,173





# FISH AND WILDLIFE SERVICE

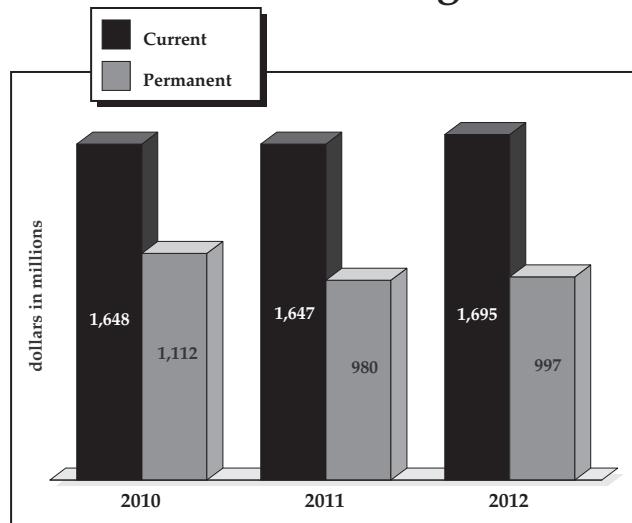
**Mission** – The mission of the Fish and Wildlife Service is to work with others to conserve, protect, and enhance fish, wildlife, plants, and their habitats for the continuing benefit of the American people.

**Budget Overview** – The 2012 request for current appropriations totals \$1.7 billion, a net increase of \$47.9 million compared to 2010 Enacted/2011 CR. The budget also includes \$997.1 million available under permanent appropriations, most of which will be provided directly to States for fish and wildlife restoration and conservation. The budget supports 9,251 full time equivalent staff within eight regions across the United States.

**America's Great Outdoors Initiative** – In April of 2010, the President established the America's Great Outdoors Initiative through Presidential Memorandum. The goal of AGO is to reconnect Americans, especially youth, to America's rivers and waterways, landscapes of national significance, ranches, farms and forests, great parks, coasts, and beaches. The AGO initiative also calls on agencies to build on State, local, private, and tribal priorities for the conservation of land, water, wildlife, historic and cultural resources, creating corridors and connectivity across these outdoor spaces, and enhancing neighborhood parks. The initiative is also focused on how the Federal government can best advance those priorities through public-private partnerships and locally supported conservation strategies.

In 2010, many AGO outreach and listening sessions were conducted throughout the Nation. The FWS has carefully considered public input in how to best pursue and achieve the goals of AGO. The national wildlife refuge system is a critical component in this initiative. The refuge system has unique authorities and flexible programs that deliver landscape level conservation, while, at the same time, provide compatible outdoor recreation. Millions of acres of refuge lands are owned by the Federal government and managed by FWS as core habitat for fish and wildlife. However, to meet the challenge of conserving highly mobile fish and wildlife populations, the refuge system also uses easements, partnership programs and

## FWS Funding



is researching emerging market-based mechanisms to protect important habitat features on private land.

The FWS' Fisheries program carries out its aquatic resources conservation work through a nationwide network of 150 facilities that include national fish hatcheries, fish and wildlife conservation offices, fish health centers, and fish technology centers. These facilities are located in or near communities across the Country and, in addition to their mission critical work, they provide significant contributions toward the AGO Initiative by hosting a variety of annual outdoor and classroom events that reconnect youth and their families to the Nation's natural resource heritage.

The 2012 budget request continues and expands the FWS commitment to ecosystem restoration by including \$12.3 million, an increase of \$1.8 million for the Everglades; \$10.8 million, an increase of \$4.3 million for California's Bay-Delta; \$13.1 million, an increase of \$5.0 million for the Gulf Coast; \$15.2 million, an increase of \$5.0 million for the Chesapeake Bay; and \$45.9 million, an increase of \$2.9 million for the Great Lakes.

## FISH AND WILDLIFE SERVICE FACTS

- Originated in 1871 with the purpose of studying and recommending solutions to a decline in food fish.
- Manages more than 150 million acres of land and waters in the national wildlife refuge system composed of more than 550 national wildlife refuges and thousands of small wetlands.
- Operates 70 national fish hatcheries and one historic fish hatchery, 64 fishery resource offices, and 78 ecological services field stations nationwide.
- Produces the Federal Duck Stamp, which raises about \$25 million annually to fund wetland habitat acquisition for the national wildlife refuge system.
- Employs approximately 10,300 staff nationwide and nearly 42,000 volunteers contribute in excess of 1.5 million hours annually.

The 2012 budget includes \$140.0 million for land acquisitions that FWS has identified as having the greatest conservation benefits.

In addition, the budget requests increases for several grant programs administered by FWS that support AGO goals. These include increases of \$15.0 million for the Cooperative Endangered Species Fund, \$2.4 million for the North American Wetlands Conservation Fund, and \$5.0 million for State and Tribal Wildlife Grants.

**New Energy Frontier** – The budget proposes \$7.0 million, an increase of \$4.0 million, for Endangered Species activities associated with renewable energy development, including \$2.0 million for the Endangered Species Consultation program to support assessments of renewable energy projects and \$2.0 million for Conservation Planning Assistance. The increase for the CPA program will enable FWS to participate more fully in priority landscape level planning and assist industry and States' fish and wildlife agencies as they plan for the siting of renewable energy projects and transmission corridor infrastructure.

**Cooperative Landscape Conservation** – The FWS works to protect the viability of fish, wildlife, plants, and their habitats from the serious threats of sea level rise, drought, shifting wildlife migration, habitat loss, disease and invasive species that are associated with the effects of compounding environmental stressors. To accomplish this, FWS, together with its partners, must rapidly develop the ability to adapt to better deliver conservation across connected landscapes of habitats, based on the best available scientific understanding. The FWS is establishing a new business model with partners to look at the landscape scale, leveraging the conservation capacity of individual organizations to attain biological outcomes larger than any they could achieve alone. These organized partnerships form the basis of the Department of the Interior's Landscape Conservation Cooperatives.

The 2012 budget proposes \$20.2 million, an increase of \$10.2 million, for these LCCs, to identify landscapes, habitats, and species that are most vulnerable; define clear conservation objectives; and focus resource management actions where they will be most effective on the landscape. Building on the nine LCCs currently operating, FWS will establish three LCCs by the end of 2011 and another six in 2012. An additional three LCCs will be led by other Interior bureaus. In addition, the budget proposes an increase of \$7.2 million to acquire key scientific capability needed to inform planning and design. To address threats to species and habitats, FWS will continue to develop an in-house applied science capability.

The initiative also includes \$8.0 million, an increase of \$2.0 million from the 2010 Enacted/2011 CR level, to deliver conservation through the Partners for Fish and Wildlife program. This program will expand efforts to provide technical and financial assistance to private landowners in order to conserve and restore lands that will improve wildlife values while sequestering carbon. The 2012 budget includes an increase of \$8.0 million to accelerate the development of a monitoring effort for the refuge system. The monitoring effort is part of a national strategy coordinated with the U.S. Geological Survey, Bureau of Land Management, and National Park Service to detect climate-driven changes and optimize habitat improvement and protection strategies.

**Youth in the Great Outdoors** – The 2012 FWS budget proposes \$15.7 million, an increase of \$2.5 million for the Youth in the Great Outdoors initiative. The FWS programs included provide a platform to orient children and young adults to the importance of fish and wildlife conservation while encouraging careers in natural science. The initiative will provide opportunities for young adults from varied backgrounds to work together on conservation projects such as maintenance and construction, habitat management, and visitor services at refuges.

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The \$2.5 million increase for the Youth in The Great Outdoors Initiative includes increases of \$2.0 million for the national wildlife refuge system to hire youth through programs such as the Youth Conservation Corps and \$1.0 million for a public-private partnership with the National Fish and Wildlife Foundation to engage and employ young people in conservation. The Migratory Bird Urban Treaties program, included in the Youth Initiative, is reduced by \$500,000.

**Resource Management** – The 2012 request for the principal FWS operating account, Resource Management, is \$1.3 billion, a net increase of \$2.5 million above the 2010 Enacted / 2011 CR level.

**Endangered Species** – The budget includes \$182.7 million to administer the Endangered Species Act, a net increase of \$3.3 million compared with the 2010 Enacted / 2011 CR level. This includes \$1.1 million to increase funding for captive breeding of Attwater's prairie chicken, \$2.0 million to increase consultations for renewable energy projects, \$3.4 million for ecosystem specific consultation and recovery, and \$2.9 million for listing activities. These increases are offset by reductions in earmarks.

**National Wildlife Refuge System** – Funding for the operation and maintenance of the national wildlife refuge system is requested at \$502.9 million. The request includes an increase of \$8.0 million, to complete additional landscape scale inventories, monitoring, and assessments so that refuge managers can adapt to habitat threats such as sea level rise, drought, and invasive species. An additional \$2.0 million will be used for the FWS youth program to engage young Americans in conservation by offering public service opportunities, science-based education, and outdoor learning laboratories. The request includes an increase of \$1.5 million for Chesapeake Bay restoration and \$750,000 for Gulf Coast restoration activities at refuges. An increase of \$2.0 million is also requested for deferred maintenance at refuges.

**Law Enforcement** – The budget provides \$62.6 million for the law enforcement program to investigate wildlife crimes and enforce the laws that govern the Nation's wildlife trade. The request is \$3.1 million below the 2010 Enacted / 2011 CR level, which reflects the elimination of an unrequested increase in 2010.

**Fisheries and Aquatic Resource Conservation** – The budget request includes a total of \$136.0 million for the Fisheries and Aquatic Resource Conservation program, a decrease of \$12.2 million from the 2010 Enacted / 2011 CR funding level. Facilitating the FWS role and responsibility in promoting ecosystem health, fisheries, and aquatic resource conservation, the budget includes increases for

the Chesapeake Bay, California Bay Delta and specific increases for Asian carp activities in the Great Lakes. Moreover, the budget proposes an increase of \$380,000 to protect polar bears in compliance with the Marine Mammal Protection Act.

These increases are offset by reductions reflecting the discontinuation of 2010 congressionally directed activities and \$6.8 million in reductions to mitigation fish hatcheries. In the future, hatchery activities that mitigate the impact of Federal water projects will only be conducted if those activities are fully reimbursed.

**Cooperative Landscape Conservation and Adaptive Science** – The Cooperative Landscape Conservation and Adaptive Science activity is requested at \$37.5 million, an increase of \$17.5 million from the 2010 Enacted / 2011 CR level. These increases include \$10.2 million for continued development of Landscape Conservation Cooperatives, \$1.8 million of which is specifically directed to the Gulf Coast. To support the critical work these LCCs will provide managers, the increase includes \$5.0 million for adaptive science as well as an internal transfer of \$2.3 million from other operating accounts to better align current workloads with new challenges.

**General Operations** – The General Operations request totals \$150.5 million, a reduction of \$2.3 million from the 2010 Enacted / 2011 CR level. This includes increases of \$1.0 million that will be used in partnership with the National Fish and Wildlife Foundation. These decreases largely reflect reductions in administrative costs.

**Construction** – The 2012 Construction budget request totals \$23.1 million, a decrease of \$14.4 million from the 2010 Enacted / 2011 CR level. The reduction impacts refuge as well as fisheries construction projects which are reduced \$9.8 million and \$4.2 million, respectively. The specific projects are ranked as the top priority projects using the FWS merit-based process for identifying projects in the Service's five-year construction plan.

**Land Acquisition** – The Land Acquisition request is \$140.0 million, a \$53.7 million increase compared to the 2010 Enacted / 2011 CR level. This increase, a part of the AGO Initiative, continues the Administration's commitment to protect sensitive areas when land acquisition is needed to conserve important habitat. Included in the request is the transfer of \$3.4 million for Land Protection Planning to the Land Acquisition account in 2012.

The 2012 budget includes more than 60 land acquisition projects that were selected based on their relative priority using a strategic, merit-based process with a focus on landscape conservation goals, leveraging with non-Federal

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partners, alignment with other Interior bureau projects, and collaboration with Federal agencies, Tribes, States, and other partners. Interior land acquisition bureaus worked together to align and prioritize projects in order to optimize landscape conservation goals.

**State and Tribal Wildlife Grants** – The State and Tribal Wildlife Grants request is \$95.0 million, an increase of \$5.0 million from the 2010 Enacted/2011 CR level. These grants will support high priority species conservation by States. Additionally, the request proposes to increase the amount directed to States through competitive allocation to \$20.0 million in 2012, an increase of \$15.0 million. This change will improve the targeting of grants toward the highest priority conservation challenges.

**Cooperative Endangered Species Conservation Fund** – The request includes \$100.0 million for the Cooperative Endangered Species Conservation Fund, an increase of \$15.0 million from the 2010 Enacted/2011 CR level to implement the AGO Initiative, using the current grant authorities. Of the total funding, \$17.0 million will be used for conservation grants, \$13.5 million will be used for Habitat Conservation Planning Assistance Grants, \$19.6 million will support Species Recovery Land Acquisition, \$46.5 million will be used for HCP Land Acquisition Grants to States, and \$3.4 million will be used for administrative costs. The 2012 budget request reflects the Administration’s commitment to full funding of LWCF programs, including the Cooperative Endangered Species Conservation Fund. The increase is partially offset by a \$5.1 million reduction reflecting the final payment for the Nez Perce Settlement.

**Multinational Species Conservation Fund** – The 2012 budget request includes \$9.8 million for the Multinational Species Conservation Fund, a decrease of \$1.8 million from the 2010 Enacted/2011 CR level. These grants to protect African and Asian elephants, rhinoceros, tigers, great apes, and marine turtles leverage funds from partners to nearly triple the available funding for these important species activities.

**Neotropical Migratory Bird Conservation Fund** – The 2012 request includes \$5.0 million for the Neotropical Migratory Bird Conservation Fund, maintaining the 2010 Enacted/2011 CR level. Grants for the conservation of migratory birds are matched at least three-to-one by partners throughout the western hemisphere.

**North American Wetlands Conservation Fund** – The 2012 budget requests \$50.0 million for the North American

Wetlands Conservation Fund, an increase of \$2.4 million over 2010 Enacted/2011 CR level. Projects funded through the standard and small grants program are leveraged by more than one-to-one with partners for wetlands and waterfowl conservation.

**National Wildlife Refuge Fund** – The budget eliminates the discretionary funding contribution to the National Wildlife Refuge Fund, a reduction of \$14.5 million below the 2010 Enacted/2011 CR level. Since NWRF payments collected by counties can be used for any purpose, the discretionary funding contribution does not significantly help to achieve conservation goals. The mandatory receipts collected and allocated under the program would remain a source of revenue for counties.

**Coastal Impact Assistance Program** – The budget proposes to transfer the management of the Coastal Impact Assistance program to FWS from Bureau of Ocean Energy Management, Regulation and Enforcement in 2012. Transition planning will take place in 2011.

**Legislative Proposal** – The budget includes a proposal to increase the cost of a Federal Migratory Bird Hunting and Conservation Stamp to \$25.00 per year, beginning in 2012, from its current cost of \$15.00. With the additional receipts, the Department anticipates acquisition of approximately 7,000 additional acres in fee simple and approximately 10,000 additional conservation easement acres in 2012 to benefit waterfowl habitat.

**Fixed Costs** – Fixed costs of \$1.2 million are funded in this request.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President’s commitment on fiscal discipline and spending restraint. In accordance with this initiative, the Fish and Wildlife Service’s budget includes \$14.4 million in savings in 2012 against actual 2010 expenditures in the following activities: \$4.7 million for travel and transportation of persons, \$1.2 million for transportation of things, \$515,000 for printing and reproduction, \$435,000 for advisory and assistance services, and \$7.6 million for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$11.1 million in travel and relocation, information technology, and strategic sourcing and bureau-specific efficiencies totaling \$975,000.

**SUMMARY OF BUREAU APPROPRIATIONS**  
 (all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted /		2012 Request		Change	
	FTE	2011 CR Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Resource Management .....	7,032	1,269,406	7,120	1,271,867	+88	+2,461
Construction .....	82	37,439	82	23,088	0	-14,351
Land Acquisition .....	77	86,340	107	140,000	+30	+53,660
Cooperative Endangered Species Fund .....	17	85,000	20	100,000	+3	+15,000
National Wildlife Refuge Fund .....	0	14,500	0	0	0	-14,500
North American Wetlands Conservation Fund.....	14	47,647	14	50,000	0	+2,353
Multinational Species Conservation Fund .....	4	11,500	4	9,750	0	-1,750
Neotropical Migratory Bird Grants .....	1	5,000	1	5,000	0	0
State and Tribal Wildlife Grants.....	23	90,000	23	95,000	0	+5,000
Subtotal, Appropriations.....	7,250	1,646,832	7,371	1,694,705	+121	+47,873
<b>Mandatory Appropriations</b>						
Federal Lands Recreation Enhancement Act .....	29	4,800	29	4,800	0	0
Migratory Bird Conservation Account .....	63	44,000	73	58,000	+10	+14,000
National Wildlife Refuge Fund .....	12	6,000	12	6,000	0	0
North American Wetlands Conservation Fund.....	0	689	0	1,000	0	+311
Sport Fish Restoration Account .....	53	450,233	53	461,819	0	+11,586
Federal Aid in Wildlife Restoration.....	52	411,833	52	402,732	0	-9,101
Miscellaneous Permanent Appropriations.....	4	4,495	4	4,495	0	0
Contributed Funds.....	20	4,300	20	4,300	0	0
Cooperative Endangered Species Fund .....	0	53,714	0	53,960	0	+246
Coastal Impact Assistance Program <sup>1/</sup> .....	0	0	24	0	+24	0
Subtotal, Mandatory Appropriations.....	233	980,064	267	997,106	+34	+17,042
<b>Reimbursements and Allocation Transfers</b>						
Reimbursements.....	822	0	822	0	0	0
Offsetting Collections .....	197	0	197	0	0	0
Energy Policy Act.....	18	0	18	0	0	0
Southern Nevada Public Lands Management Act.	19	0	19	0	0	0
Wildland Fire Management.....	504	0	466	0	-38	0
Natural Resource Damage Assessment .....	68	0	68	0	0	0
Central Hazardous Materials .....	7	0	7	0	0	0
Federal Roads (FHWA) .....	15	0	15	0	0	0
Forest Pest (Agriculture) .....	1	0	1	0	0	0
Subtotal, Other.....	1,651	0	1,613	0	-38	0
<b>TOTAL, FISH AND WILDLIFE SERVICE.....</b>	<b>9,134</b>	<b>2,626,896</b>	<b>9,251</b>	<b>2,691,811</b>	<b>+117</b>	<b>+64,915</b>

<sup>1/</sup> The Coastal Impact Assistance program, including FTEs, transfers from BOEMRE in 2012.

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## **HIGHLIGHTS OF BUDGET CHANGES**

### By Appropriation Activity/Subactivity

#### **APPROPRIATION: Resource Management**

	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Net Change
<b>Ecological Services</b>				
<b>Endangered Species</b>				
Candidate Conservation .....	12,580	12,580	11,426	-1,154
Listing .....	22,103	22,103	24,644	+2,541
Consultation.....	59,307	59,307	62,888	+3,581
Recovery .....	85,319	85,319	83,692	-1,627
Subtotal, Endangered Species .....	179,309	179,309	182,650	+3,341
Habitat Conservation .....	117,659	117,659	118,442	+783
Environmental Contaminants .....	13,987	13,987	13,825	-162
Subtotal, Ecological Services .....	310,955	310,955	314,917	+3,962
<b>National Wildlife Refuge System</b>				
Wildlife and Habitat Management.....	230,778	230,778	240,241	+9,463
Visitor Services .....	79,973	79,973	77,621	-2,352
Refuge Law Enforcement.....	38,684	38,684	37,558	-1,126
Conservation Planning.....	13,021	13,021	8,283	-4,738
Subtotal, Refuge Operations.....	362,456	362,456	363,703	1,247
Refuge Maintenance .....	140,349	140,349	139,172	-1,177
Subtotal, NWR System .....	502,805	502,805	502,875	+70
<b>Migratory Bird Management,</b>				
<b>Law Enforcement and International Affairs</b>				
Affairs Migratory Bird Mgmt.....	54,483	54,483	54,423	-60
<b>Law Enforcement</b>				
Operations.....	64,801	64,801	61,657	-3,144
Maintenance.....	977	977	977	0
Subtotal, Law Enforcement.....	65,778	65,778	62,634	-3,144
International Affairs.....	14,379	14,379	12,991	-1,388
Subtotal, Bird Mgmt., Law Enforc. and International Affairs.....	134,640	134,640	130,048	-4,592
<b>Fisheries/Aquatic Resources Conserv.</b>				
National Fish Hatchery System Ops....	54,370	54,370	42,761	-11,609
Maintenance and Equipment .....	18,350	18,350	18,060	-290
Aquatic Habitat and Species Conserv..	75,494	75,494	75,191	-303
Subtotal, Fisheries/Aquatic Resour..	148,214	148,214	136,012	-12,202
<b>Cooperative Landscape Conservation and Adaptive Science</b>				
Cooperative Landscape Conserv. ....	10,000	10,000	20,247	+10,247
Adaptive Science .....	10,000	10,000	17,236	+7,236
Subtotal, Cooperative Landscape Conservation and Adaptive Science.	20,000	20,000	37,483	+17,483

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
General Operations				
Central Office Operations .....	40,485	40,485	39,941	-544
Regional Office Operations.....	43,340	43,340	42,299	-1,041
Operational Support .....	36,440	36,440	36,097	-343
Nat'l Conservation Training Center ....	24,990	24,990	23,658	-1,332
National Fish/Wildlife Foundation.....	7,537	7,537	8,537	+1,000
Subtotal, General Operations .....	152,792	152,792	150,532	-2,260
TOTAL APPROPRIATION .....	1,269,406	1,269,406	1,271,867	+2,461
Other Net Transfers ( <i>USAID, Great Apes</i> )....	+4,000	0	0	0
TOTAL APPROPRIATION .....	1,273,406	1,269,406	1,271,867	+2,461

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>
TOTAL APPROPRIATION .....	+2,461	
Ecological Services .....	+3,962	
Endangered Species .....	+3,341	
Candidate Conservation .....	-1,154	
Idaho Sage Grouse Earmark.....	-1,000	
Resource Management Internal Transfers.....	-55	
Fixed Costs.....	+60	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-109	
2012 Administrative Cost Savings.....	-50	
Listing .....	+2,541	
Critical Habitat Earmark.....	-1,000	
Petitions .....	+3,866	
RM Internal Transfers.....	-83	
Fixed Costs.....	+24	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-158	
2012 Administrative Cost Savings.....	-108	
Consultation.....	+3,581	
New Energy Frontier.....	+2,000	
Everglades .....	+700	
Atlantic Salmon/Down East .....	+220	
Bay Delta Ecosystem.....	+1,220	
Gulf Coast Ecosystem .....	+500	
RM Internal Transfers.....	-193	
Fixed Costs.....	+112	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-648	
2012 Administrative Cost Savings.....	-330	
Recovery .....	-1,627	
Wolf Livestock Loss		
Demonstration Program Earmark.....	-1,000	
NFWF Endangered Salmon Grants Earmark.....	-1,500	
Lahontan Cutthroat Trout in NV Earmark.....	-350	
Ivory Billed Woodpecker .....	-1,163	
Everglades .....	+900	
Attwater's Prairie Chicken .....	+1,095	
Whooping Crane Facilities Earmark .....	-500	
Spectacled Eider Recovery in AK Earmark.....	-350	
Monitoring White Nose Bat Syndrome Earmark-1,900		
Habitat Conservation .....		
Atlantic Salmon/Down East .....	+110	
Bay-Delta Ecosystem .....	+620	
General Program Activities .....	+4,000	
RM Internal Transfers.....	-232	
Fixed Costs.....	+168	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-833	
2012 Administrative Cost Savings.....	-692	
Partners for Fish and Wildlife Program .....	+783	
Maine Lakes Millefoil Invasives Earmark .....	-500	
Hawaii Invasive Species Mgmt. Earmark .....	-1,000	
Georgia Streambank Restoration Earmark.....	-500	
Natural Resource Econ. Enterprise Earmark .....	-350	
Chesapeake Bay.....	+400	
Cooperative Landscape Conservation .....	+2,000	
Fixed Costs.....	+32	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-413	
2012 Administrative Cost Savings.....	-403	
Conservation Planning Assistance ( <i>Project Planning</i> ).....	+2,417	
Sacramento-San Joaquin Water Study Earmark ....	-750	
Energy .....	+2,000	
Bay-Delta Ecosystem .....	+620	
Gulf Coast Ecosystem .....	+1,500	
RM Internal Transfers.....	-193	
Fixed Costs.....	+45	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-438	
2012 Administrative Cost Savings.....	-367	
Coastal Programs .....	-495	
Chesapeake Bay.....	+500	
Gulf Coast Ecosystem.....	+250	
General Program Activities Earmark .....	-1,000	
RM Internal Transfers.....	-32	
Fixed Costs.....	+12	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-125	
2012 Administrative Cost Savings.....	-100	

## ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>	
National Wetlands Inventory .....	-405	Migratory Birds Mgmt., Law Enforcement and International Affairs.....	-4,592
General Program Activities Earmark .....	-250	Migratory Birds .....	-60
RM Internal Transfers.....	-48	Chesapeake Bay.....	+385
Fixed Costs.....	+3	Urban Bird Treaties Earmark.....	-500
2011 Interior-wide and Bureau		Joint Venture Program.....	+1,344
Management Efficiencies .....	-56	RM Internal Transfers.....	-90
2012 Administrative Cost Savings.....	-54	Fixed Costs .....	+48
Environmental Contaminants .....	-162	2011 Interior-wide and Bureau	
Everglades .....	+175	Management Efficiencies .....	-630
Chesapeake Bay.....	+180	2012 Administrative Cost Savings.....	-617
Gulf Coast Ecosystem .....	+250	Law Enforcement .....	-3,144
General Program Activities Earmark .....	-500	Chesapeake Bay.....	+140
RM Internal Transfers.....	-28	General Program Activities Earmark .....	-2,000
Fixed Costs .....	+32	RM Internal Transfers.....	-132
2011 Interior-wide and Bureau		Fixed Costs .....	+130
Management Efficiencies .....	-163	2011 Interior-wide and Bureau	
2012 Administrative Cost Savings.....	-108	Management Efficiencies .....	-618
National Wildlife Refuge System.....	+70	2012 Administrative Cost Savings.....	-664
Wildlife and Habitat Management .....	+9,463	International Affairs.....	-1,388
Palmyra Atoll NWR Rat Control Earmark .....	-1,200	Caddo Lake RAMSAR Center Earmark .....	-150
Inventory and Monitoring .....	+8,000	Wildlife Without Borders Earmark .....	-1,000
Chesapeake Bay .....	+1,460	Internal Transfers .....	-18
Bay-Delta Ecosystem .....	+180	Fixed Costs .....	+15
Gulf Coast Ecosystem .....	+750	2011 Interior-wide and Bureau	
General Operations.....	+6,519	Management Efficiencies .....	-136
RM Internal Transfers .....	-742	2012 Administrative Cost Savings.....	-99
Fixed Costs .....	+230	Fisheries and Aquatic Resource Conservation .....	-12,202
2011 Interior-wide and Bureau		National Fish Hatchery Operations .....	-11,609
Management Efficiencies .....	-2,377	Freshwater Mussel Recovery Earmark .....	-500
2012 Administrative Cost Savings.....	-3,357	Great Lakes Mass Marking .....	-1,000
Visitor Services .....	-2,352	Review of Hatcheries in CA Earmark .....	-2,150
Chesapeake Bay .....	+360	Bay-Delta Ecosystem .....	+740
Volunteer Partnerships Earmark.....	-1,000	General Program Activities .....	-6,788
Fixed Costs .....	+100	RM Internal Transfers .....	-109
2011 Interior-wide and Bureau		Fixed Costs .....	+32
Management Efficiencies .....	-873	2011 Interior-wide and Bureau	
2012 Administrative Cost Savings.....	-939	Management Efficiencies .....	-653
Refuge Law Enforcement Earmark .....	-1,126	2012 Administrative Cost Savings.....	-1,181
Fixed Costs .....	+15	Maintenance and Equipment .....	-290
2011 Interior-wide and Bureau		2011 Interior-wide and Bureau	
Management Efficiencies .....	-473	Management Efficiencies .....	-136
2012 Administrative Cost Savings.....	-668	2012 Administrative Cost Savings.....	-154
Refuge Conservation Planning .....	-4,738	Aquatic Habitat and Species Conservation .....	-303
Refuge Planning Earmark.....	-1,000	Fish Passage Improvements .....	+1,000
RM Internal Transfers.....	-3,440	Klamath Dam Removal Study Earmark .....	-2,000
Fixed Costs .....	+10	Chesapeake Bay .....	+1,575
2011 Interior-wide and Bureau		Bay-Delta Ecosystem .....	+620
Management Efficiencies .....	-150	WV Fisheries Resource Office Earmark .....	-1,300
2012 Administrative Cost Savings.....	-158	Invasive Species Prevention Earmark .....	-1,000
Refuge Maintenance .....	-1,177	Invasive Species Control/Mgmt. Earmark .....	-1,000
Annual Maintenance.....	-2,000	Asian Carp.....	+2,900
Youth Conservation Corps.....	+2,000	Polar Bear .....	+380
Deferred Maintenance.....	+2,000	Sea Otters and Steller Sea Lion	
Fixed Costs .....	+46	Conservation in AK Earmark .....	-200
2011 Interior-wide and Bureau		RM Internal Transfers .....	-147
Management Efficiencies .....	-1,176	Fixed Costs .....	+98
2012 Administrative Cost Savings.....	-2,047		

### ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted/2011 CR</u>	2012 Change from <u>2010 Enacted/2011 CR</u>
Fisheries and Aquatic Resource Conservation ( <i>continued</i> )		
2011 Interior-wide and Bureau		
Management Efficiencies .....	-613	
2012 Administrative Cost Savings.....	-616	
Adaptive Science - General Prog. Activities.....	+5,000	
Bay-Delta Internal Transfer.....	+210	
RM Internal Transfers.....	+1,051	
Fixed Costs.....	+1	
2012 Administrative Cost Savings.....	-26	
Cooperative Landscape Conservation		
and Adaptive Science .....	+17,483	
Cooperative Landscape Conservation.....	+10,247	
Gulf Coast LCC .....	+750	
LCCs - General Program Activities .....	+8,500	
RM Internal Transfers.....	+1,051	
Fixed Costs.....	+1	
2012 Administrative Cost Savings.....	-55	
Adaptive Science.....	+7,236	
Gulf Coast Adaptive Science .....	+1,000	
General Operations.....		-2,260
National Fish and Wildlife Foundation .....		+1,000
Annual Maintenance		
National Conservation Training Center Earmark ..	-750	
RM Internal Transfers.....		-210
Fixed Costs.....		-64
2011 Interior-wide and Bureau		
Management Efficiencies .....		-1,258
2012 Administrative Cost Savings.....		-978

### **APPROPRIATION: Construction**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Line Item Construction* .....	26,423	26,423	12,149	-14,274
Dam Safety .....	1,115	1,115	1,115	0
Bridge Safety .....	740	740	740	0
Engineering Services.....	9,161	9,161	9,084	-77
<b>TOTAL APPROPRIATION (w/o rescission).....</b>	<b>37,439</b>	<b>37,439</b>	<b>23,088</b>	<b>-14,351</b>
Rescission of Prior Year Balances.....	-3,000	0	0	0
<b>TOTAL APPROPRIATION (w/ rescission).....</b>	<b>34,439</b>	<b>37,439</b>	<b>23,088</b>	<b>-14,351</b>

\* See Appendix N for proposed 2012 construction projects.

### ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted/2011 CR</u>
<b>TOTAL APPROPRIATION .....</b>	<b>-14,351</b>
Construction Projects.....	-13,702
Fixed Costs.....	+13
2012 Administrative Cost Savings.....	-662

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### APPROPRIATION: Land Acquisition

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Acquisition Management.....	10,555	10,555	13,570	+3,015
Land Protection Planning .....	0	0	3,440	+3,440
User Pay Cost Share.....	2,000	2,000	2,000	0
Acquisition - Federal Refuge Lands* .....	66,785	66,785	113,990	+47,205
Exchanges.....	2,000	2,000	2,000	0
Inholdings, Emergencies, and Hardships .....	5,000	5,000	5,000	0
TOTAL APPROPRIATION .....	86,340	86,340	140,000	+53,660

\* See Appendix G for proposed 2012 land acquisition projects.

#### *Detail of Budget Changes*

2012 Change from  
2010 Enacted / 2011 CR

TOTAL APPROPRIATION ..... +53,660

Acquisition Management..... +3,000  
Land Acquisition Refuges..... +47,205  
Internal Transfers ..... +3,440  
Fixed Costs ..... +15

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### APPROPRIATION: Cooperative Endangered Species Conservation Fund

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Section 6 Grants to States				
Traditional Grants to States .....	11,000	11,000	17,000	+6,000
HCP Planning Grants .....	10,000	10,000	13,500	+3,500
Species Recovery Land Acquisition ....	15,000	15,000	19,646	+4,646
HCP Land Acquisition Grants /States..	41,000	41,000	46,500	+5,500
Snake River Water Rights Act of 2004..	5,146	5,146	0	-5,146
Administration .....	2,854	2,854	3,354	+500
TOTAL APPROPRIATION .....	85,000	85,000	100,000	+15,000

#### *Detail of Budget Changes*

2012 Change from  
2010 Enacted / 2011 CR

TOTAL APPROPRIATION ..... +15,000

Traditional Grants to States ..... +6,000  
HCP Planning Grants ..... +3,500  
Species Recovery Land Acquisition ..... +4,646  
HCP Land Acquisition Grants ..... +5,500  
Nez Perce Settlement / Snake River Water  
Rights Act of 2004..... -5,146  
Administration ..... +500

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**APPROPRIATION: National Wildlife Refuge Fund**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	14,500	14,500	0	-14,500

*Detail of Budget Changes*2012 Change from  
2010 Enacted / 2011 CR

TOTAL APPROPRIATION ..... -14,500

Payments to Counties - Appropriated Funds ..... -14,500

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**APPROPRIATION: North American Wetlands Conservation Fund**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	47,647	47,647	50,000	+2,353

*Detail of Budget Changes*2012 Change from  
2010 Enacted / 2011 CR

TOTAL APPROPRIATION ..... +2,353

Wetlands Conservation ..... +2,258

Administration ..... +95

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**APPROPRIATION: Multinational Species Conservation Fund**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
African Elephant Conservation.....	2,000	2,000	1,950	-50
Rhinoceros and Tiger Conservation .....	3,000	3,000	2,450	-550
Asian Elephant Conservation.....	2,000	2,000	1,950	-50
Great Ape Conservation.....	2,500	2,500	1,950	-550
Marine Sea Turtle .....	2,000	2,000	1,450	-550
TOTAL APPROPRIATION .....	11,500	11,500	9,750	-1,750

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**APPROPRIATION: Neotropical Bird Conservation**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	5,000	5,000	5,000	0

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**APPROPRIATION: State and Tribal Wildlife Grants**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	90,000	90,000	95,000	+5,000

***Detail of Budget Changes***

2012 Change from  
2010 Enacted/2011 CR

TOTAL APPROPRIATION ..... +5,000

State Formula Grants..... -11,000  
Competitive Grant Program (Tribes)..... +1,000  
Competitive Grant Program (States)..... +15,000



# NATIONAL PARK SERVICE

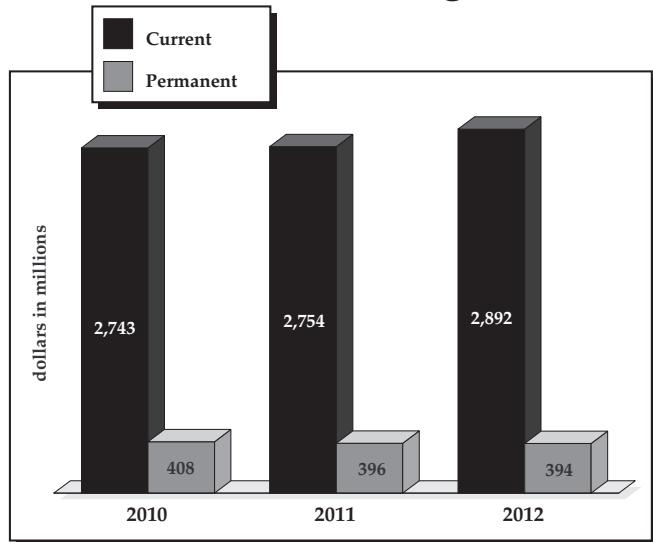
**Mission** – As stated in its original authorizing legislation, the National Park Service mission is to “preserve unimpaired the natural and cultural resources and values of the national park system for the enjoyment, education, and inspiration of this and future generations.”

**Budget Overview** – The NPS 2012 budget request of \$2.9 billion is \$137.8 million above the 2010 Enacted / 2011 CR level. The NPS estimates that staffing will total 21,866 full time equivalents in 2012.

The 2012 President's budget request includes \$190.2 million in net program changes from the 2010 Enacted / 2011 CR level. Key program increases include \$39.5 million for park unit operations, \$10.7 million for cyclic maintenance and facility repair and rehabilitation projects, \$160.0 million for Land and Water Conservation Fund State grants, \$73.7 million for Federal land acquisition, and \$6.5 million for historic preservation grants-in-aid to States and Territories, and Tribes as part of the Administration's America's Great Outdoors initiative. The budget eliminates funding for the Save America Treasures grants, Preserve America grants, and Park Partnership project grants; eliminates congressional earmarks for statutory aid; and reduces funding for construction and the heritage partnership programs.

**America's Great Outdoors** – In 2012, a total of \$2.7 billion is proposed for the National Park Service as part of the Administration's initiative to reconnect Americans to the outdoors. This includes \$2.3 billion for park operations, as represented by the Operation of the National Park System account, a net increase of \$35.3 million over 2010 Enacted / 2011 CR. It also includes \$160.0 million for Federal land acquisition, an increase of \$73.7 million; \$200.0 million for LWCF State grants, an increase of \$160.0 million; \$61.0 million for Historic Preservation Fund grants-in-aid to States and Territories, and Tribes, an increase of \$6.5 million; \$10.0 million for the Rivers, Trails, and Conservation Assistance program, an increase of \$1.1 million; and \$1.4 million for the American Battlefield Protection program assistance grants, which is level funded. These funds will enhance the NPS stewardship of important cultural resources and ecosystems, and assist

## NPS Funding



States, local communities, and other groups in developing recreational sites and facilities to protect and conserve important, non-Federal cultural and historic items.

**Cooperative Landscape Conservation Initiative** – The 2012 budget maintains NPS funding of \$9.9 million for the Secretary's Cooperative Landscape Conservation initiative. More than 150 of the most vulnerable parks in high elevations, high latitudes, arid lands, and coastal areas will be monitored for climate effects, such as melting permafrost in Alaska and salt marsh salinity along the South Atlantic coast. Over 500 employees will be trained to incorporate adaptation approaches into resource management.

**Youth in the Great Outdoors Initiative** – In 2012, the Secretary continues his vision to engage youth from all backgrounds to enjoy, work on, and learn about the public lands. In 2012, NPS will direct a total of \$19.2 million of its park operations funding for youth engagement and education programs; this represents an increase of \$5.7 million over the 2010 Enacted / 2011 CR level. In addition, NPS will continue to dedicate \$4.4 million of recreation fees to youth programs.

## NATIONAL PARK SERVICE FACTS

- In 1916 Congress created the National Park Service also known as "America's Best Idea."
- There are currently 394 national parks, which encompass 84.4 million acres in 49 States, U.S. insular areas, and Territories.
- In 2009, over 285 million people visited the Nation's national parks.
- Employs over 21,000 employees made up of archeologists, architects, curators, historians, and natural and cultural resource professionals who work to preserve, protect, and share the history of this land and its people.
- Collaborates with Indian Tribes, States, local governments, nonprofits, and historic property owners who believe in the importance of the Nation's shared heritage – and its preservation.

**Park Operations** – The 2012 President's budget request includes \$72.9 million in program increases for NPS park operations as part of the America's Great Outdoors initiative, which are partially offset by administrative savings. The key program increases in 2012 include \$39.5 million in park base increases that will enhance core visitor services and improve resource protection at more than 100 park sites.

The 2012 budget includes several program increases that will enhance critical resource stewardship activities. This includes \$1.3 million to NPS to expand integrated ocean and coastal stewardship activities by working with its partners at the 74 park units that are adjacent to an ocean or Great Lake, consistent with the Administration's *Final Recommendations of the Interagency Ocean Policy Task Force* report. The NPS will continue restoration activities in key water-based ecosystems, such as the Everglades. An increase of \$210,000 will support the Underground Railroad Network to Freedom program. This unique public-private partnership coordinates preservation and education efforts for over 400 sites, programs, and facilities nationwide. The 2012 budget also includes increases of \$4.5 million for cultural resource preservation projects, and \$1.5 million for cultural resource networks.

In 2012, the budget includes \$1.0 million to expand educational opportunities for the public through the NPS educational portal at its website: [www.NPS.gov](http://www.NPS.gov). This will allow the public to easily locate park activities, Junior Ranger programs, teacher professional development opportunities, and other online educational information.

The budget includes a program increase of \$1.8 million for U.S. Park Police operations. This will provide additional law enforcement at the Statue of Liberty National Monument, a critical need in light of the reopening of the Statue's crown on July 4th, 2009 and will also provide for U.S. Park Police patrols at the new Martin Luther King, Jr. National Memorial in Washington, D.C., scheduled to open in 2011. Additional funding will be directed

toward strengthening professional support activities to ensure that adequate systems are in place to support law enforcement activities, such as additional dispatch service and modernization of the USPP records system. The budget provides \$700,000 for a risk management program that will train NPS staff to recognize and avoid workplace risks, thereby reducing injuries and related costs. The budget requests \$2.0 million to expand the land use planning program to provide support to parks for realty and land management services following the acquisition of tracts of land.

In 2012, the Park Service budget requests a \$3.2 million increase for cyclic maintenance. Funds will be used for the preventive maintenance necessary to maintain the condition of assets throughout the national park system and protect the safety of park visitors and staff. The budget also proposes an additional \$7.5 million for the repair and rehabilitation program for the most critical systems projects in which regular, cyclic maintenance is no longer sufficient to improve an asset's condition.

As a complement to the park base funding, the budget includes a \$7.2 million increase to strengthen the Park Service's ability to recruit, train, and retain staff to strategically position itself as an effective, responsive, and accountable 21<sup>st</sup> century NPS. The NPS will build on efforts to reorganize human resources functions by consolidating human resources offices, streamlining the hiring process, and providing front-line managers with more guidance on employee relations and performance management. In 2012, NPS will leverage existing satellite delivery systems to provide improved training opportunities to its staff at dispersed locations and reduce travel costs.

**Park Partnerships** – This budget proposes to discontinue the Park Partnership grants program in 2012. Although these funds have enabled partner projects in over 85 parks over the history of this program, the flagging economy has prevented partners from committing to new projects.

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Further, the projects funded have not always been among the National Park Service's highest priorities.

**Land and Water Conservation Fund** –The NPS land acquisition program provides funding to acquire land, or interests in lands to preserve nationally important natural and historic resources from willing sellers within park boundaries. The 2012 budget proposes key increases as part of the America's Great Outdoors initiative, including \$160.0 million for NPS Federal land acquisition, an increase of \$73.7 million over the 2010 Enacted / 2011 CR level. Included within the proposal is \$10.0 million to provide matching grants to States and local entities to preserve and protect Civil War battlefield sites outside the national park system. This is a \$1.0 million increase over 2010 Enacted / 2011 CR. The 2012 land acquisition projects were selected based on their relative priority using a strategic, merit-based process with a focus on conserving critical ecosystems, leveraging non-Federal partners, and strategic alignment with the conservation priorities of other Interior bureaus, Federal agencies, Tribes, States, and other stakeholders.

The LWCF State Grant program provides funding to States for the purchase of lands for preservation and recreation purposes. Based on public input at AGO listening sessions across the Country, the budget recognizes the need for additional recreational access and opportunities at the local level. Therefore, the 2012 request provides a total of \$200.0 million for this program, an increase of \$160.0 million. At least 40 percent of these funds will continue to be distributed equally to States as required by law. The 2012 budget proposes a competitive component within the remaining funds for urban parks and community greenspaces, blueways, and landscape level conservation projects in communities that need them the most.

**Construction** – The 2012 request includes \$152.1 million for construction projects, equipment replacement, management planning, and other special projects. The NPS construction program is \$80.8 million below the 2010 Enacted / 2011 CR level, primarily due to reductions in line-item construction projects. Line-item construction projects are funded at \$70.3 million for 14 projects, including \$8.0 million for the Everglades Modified Water Deliveries project and \$4.0 million for the North Shore road settlement.

**National Recreation and Preservation** – This appropriation funds programs connected with local community efforts to preserve natural and cultural resources. The 2012 request includes \$51.6 million for these programs. In response to the strong public desire for additional technical assistance for public recreation and conservation projects during AGO listening sessions, the 2012

budget proposes \$10.0 million for the Rivers, Trails, and Conservation Assistance program, an increase of \$1.1 million. The budget proposes \$9.0 million for National Heritage Areas and eliminates funding for Statutory and Contractual Aid earmarks and Preserve America grants, resulting in savings of \$10.5 million.

**Historic Preservation** –The 2012 budget request for the Historic Preservation Fund is \$61.0 million, which funds Historic Preservation Offices in States and Territories, and Tribes to preserve historically and culturally significant sites. The 2012 budget provides an increase of \$6.5 million as part of the America's Great Outdoors initiative, which aims to connect people with the Nation's cultural and historic assets, among other goals. Funds are distributed by formula, based on population and number of historic entities served, along with other criteria. Funding is not requested for Save America's Treasures grants, which has contributed to community and State level historic preservation but will be reevaluated for the program's contributions to national preservation efforts. This provides a savings of \$25.0 million.

**Recreational Fee Program** – This permanent funding program operates under the Federal Lands Recreation Enhancement Act authorizing NPS to collect recreation fees at selected parks. Fee revenues are required to be used to improve visitor services and enhance the visitor experience. The NPS estimates it will collect \$168.2 million in revenues and obligate \$170.0 million in recreation fees in 2012. In 2010, half of NPS recreation fee obligations addressed asset repair and maintenance projects, 19 percent addressed interpretation and visitor services, and 11 percent addressed habitat restoration. The remaining 21 percent of recreation fee obligations were spent on operational activities such as law enforcement, cost of collecting fees, and visitor reservation services.

**Fixed Costs** – Fixed costs of \$3.8 million are funded in the request.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, the NPS budget includes \$27.8 million in savings in 2012 against actual 2010 expenditures in the following activities: \$3.0 million in savings for travel and transportation of persons and \$24.8 million for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$15.2 million in travel, relocation, and strategic sourcing and NPS-specific efficiencies totaling \$3.2 million.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted /		2012 Request		Change	
	FTE	2011 CR Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Operation of the National Park System.....	17,008	2,261,559	17,220	2,296,877	+212	+35,318
Park Partnership Project Grants.....	8	15,000	0	0	-8	-15,000
National Recreation and Preservation .....	250	68,436	250	51,567	0	-16,869
Historic Preservation Fund.....	0	79,500	0	61,000	0	-18,500
Construction .....	472	232,969	457	152,121	-15	-80,848
Land Acquisition and State Assistance.....	104	126,266	113	360,000	+9	+233,734
LWCF Contract Authority (rescission).....	0	-30,000	0	-30,000	0	0
Subtotal, Appropriations.....	17,842	2,753,730	18,040	2,891,565	+198	+137,835
<b>Mandatory Appropriations</b>						
Recreation Fee Permanent Appropriations .....	1,563	172,306	1,563	183,513	0	+11,207
Other Permanent Appropriations .....	365	152,288	365	150,841	0	-1,447
Miscellaneous Trust Funds .....	137	41,004	137	30,004	0	-11,000
Outer Continental Shelf Oil Lease Revenue.....	2	228	2	100	0	-128
LWCF Contract Authority.....	0	30,000	0	30,000	0	0
Subtotal, Mandatory Appropriations.....	2,067	395,826	2,067	394,458	0	-1,368
<b>Allocations and Reimbursables</b>						
Allocations .....	953	0	953	0	0	0
Reimbursables .....	806	0	806	0	0	0
Subtotal, Allocations and Reimbursables.....	1,759	0	1,759	0	0	0
<b>TOTAL, NATIONAL PARK SERVICE .....</b>	<b>21,668</b>	<b>3,149,556</b>	<b>21,866</b>	<b>3,286,023</b>	<b>+198</b>	<b>+136,467</b>

## HIGHLIGHTS OF BUDGET CHANGES By Appropriation Activity/Subactivity

### APPROPRIATION: Operation of the National Park System

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Park Management				
Resource Stewardship .....	345,498	345,498	356,276	+10,778
Visitor Services .....	240,792	240,792	251,299	+10,507
Park Protection .....	364,224	364,224	364,895	+671
Facility Operations and Maintenance..	701,379	701,379	706,538	+5,159
Park Support.....	454,136	454,136	448,679	-5,457
Subtotal, Park Management .....	2,106,029	2,106,029	2,127,687	+21,658
External Administrative Costs .....	155,530	155,530	169,190	+13,660
Transfers .....	221	0	0	0
<b>TOTAL APPROPRIATION .....</b>	<b>2,261,780</b>	<b>2,261,559</b>	<b>2,296,877</b>	<b>+35,318</b>

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>
<b>TOTAL APPROPRIATION .....</b>	<b>+35,318</b>	
Park Management		
Resource Stewardship .....	+10,778	
Build Park Operational Capabilities .....	+8,718	
Cultural Resource Networks .....	+1,456	
Ocean and Coastal Resource Stewardship .....	+1,250	
Underground Railroad Network to Freedom		
Program Operations .....	+210	
Cultural Resource Projects.....	+4,500	
Fixed Costs.....	+342	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-1,663	
2012 Administrative Cost Savings.....	-4,035	
Visitor Services .....	+10,507	
Build Park Operational Capabilities .....	+15,608	
Interpretive Media Transformation.....	+1,000	
National Capital Performing Arts Program.....	-2,206	
Fixed Costs.....	+260	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-1,241	
2012 Administrative Cost Savings.....	-2,914	
Park Protection .....	+671	
Build Park Operational Capabilities .....	+2,324	
Servicewide Risk Management Training.....	+700	
Land Use Management Program.....	+2,000	
USPP Security at National Icons.....	+1,800	
Fixed Costs.....	+339	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-2,268	
2012 Administrative Cost Savings.....	-4,224	
Park Support.....	-5,457	
Build Park Operational Capabilities .....	+3,137	
Consolidate Workforce Management Offices .....	+6,000	
Employee Development.....	+400	
Professionalize Acquisition Management Offices...	+750	
Transfer GSA Space to		
External Administrative Costs .....	-1,206	
Transfer Servicewide IT Licenses to		
External Administrative Costs .....	-6,027	
Fixed Costs.....	+481	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-3,822	
2012 Administrative Cost Savings.....	-5,170	
External Administrative Costs .....	+13,660	
Centralized Information Technology Costs .....	+4,852	
Transfer for GSA Space from Park Support.....	+1,206	
Transfer for Servicewide IT Licenses from		
Park Support.....	+6,027	
Fixed Costs.....	+1,575	

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### ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted / 2011 CR</u>		2012 Change from <u>2010 Enacted / 2011 CR</u>
ONPS Subtotals for Changes Across Multiple Subactivities . . . . .		ONPS Subtotals <i>(continued)</i>	
Park Base Operations.....	+39,545	Fixed Costs .....	+3,838
Critical Park Base Operations .....	[+32,222]	2011 Interior-wide and Bureau	
Park Specific Cultural Resources Requests .....	[+1,523]	Management Efficiencies .....	-17,041
Youth Programs .....	[+5,800]	2012 Administrative Cost Savings.....	-24,399

### **APPROPRIATION: Park Partnerships**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	5,000	5,000	0	-5,000
Transfer Use of Unobligated				
Balances from Recreation Fees .....	10,000	10,000	0	-10,000
TOTAL APPROPRIATION (w/ transfers)....	15,000	15,000	0	-15,000

### ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted / 2011 CR</u>
TOTAL APPROPRIATION .....	-15,000
Park Partnership Project Grants.....	-15,000
Eliminate Park Partnership Project Grants.....	-5,000
Transfer Use of Unobligated Balance from Recreation Fees .....	-10,000

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**APPROPRIATION: National Recreation and Preservation**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Recreation Programs.....	591	591	585	-6
Natural Programs.....	10,713	10,713	13,376	+2,663
Cultural Programs.....	25,026	25,026	24,804	-222
Environmental Compliance and Review.	434	434	431	-3
Grants Administration .....	1,753	1,753	1,740	-13
International Park Affairs .....	1,655	1,655	1,638	-17
Heritage Partnership Programs				
Commissions and Grants.....	16,805	16,805	7,994	-8,811
Administrative Support .....	1,009	1,009	999	-10
Subtotal, Heritage Partnerships.....	17,814	17,814	8,993	-8,821
Preserve America .....	4,600	4,600	0	-4,600
Statutory or Contractual Aid.....	5,850	5,850	0	-5,850
TOTAL APPROPRIATION .....	68,436	68,436	51,567	-16,869

*Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>
TOTAL APPROPRIATION .....	-16,869	
Recreation Programs.....	-6	
Fixed Costs.....	+1	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-3	
2012 Administrative Cost Savings.....	-4	
Natural Programs.....	+2,663	
Chesapeake Bay Ecosystem Stewardship.....	+2,000	
Rivers, Trails, and Conservation Assistance .....	+1,186	
Transfer Rivers and Trails Studies to Construction..	-408	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-45	
2012 Administrative Cost Savings.....	-70	
Cultural Programs.....	-222	
Fixed Costs.....	-5	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-94	
2012 Administrative Cost Savings.....	-123	
Environmental Compliance and Review.....	-3	
2012 Administrative Cost Savings.....	-3	
Grants Administration .....	-13	
Fixed Costs.....	-1	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-1	
2012 Administrative Cost Savings.....	-11	
Heritage Partnership Programs .....	-8,821	
Reduce Heritage Area Funding for Self-Sufficiency .....	-8,805	
Fixed Costs.....	-1	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-8	
2012 Administrative Cost Savings.....	-7	
Preserve America .....	-4,600	
Eliminate Preserve America Grants .....	-4,600	
Statutory or Contractual Aid.....	-5,850	
Eliminate Statutory / Contractual Aid Earmark.....	-5,850	
NR&P Subtotals for Changes Across Multiple Subactivities.		
Fixed Costs .....	-6	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-157	
2012 Administrative Cost Savings .....	-229	

## APPROPRIATION: Historic Preservation Fund

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Grants-in-Aid.....	54,500	54,500	61,000	+6,500
Grants-in-Aid to Save America's Treasures.....	25,000	25,000	0	-25,000
TOTAL APPROPRIATION .....	79,500	79,500	61,000	-18,500

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>
TOTAL APPROPRIATION .....	-18,500	
Grants-in-Aid.....	+6,500	Grants-in-Aid to Save America's Treasures..... -25,000
Grants-in-Aid to States and Territories .....	+3,500	Eliminate Grants-in-Aid to Save America's Treasures..... -25,000
Grants-in-Aid to Indian Tribes .....	+3,000	

## APPROPRIATION: Construction

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Line Item Construction and Maint.* .....	142,988	142,988	66,347	-76,641
North Shore Road Settlement.....	6,800	0	4,000	+4,000
Special Programs.....	25,991	25,991	21,826	-4,165
Construction Planning.....	10,117	10,117	7,712	-2,405
Construction Program Mgmt. and Ops ...	38,535	38,535	37,590	-945
Management Planning .....	15,338	15,338	14,646	-692
TOTAL APPROP. (w/o transfers/rescissions) .....	239,769	232,969	152,121	-80,848
Storm Damange Rescission .....	-11,200	0	0	0
Transfer from Executive Office / President:				
Spectrum Relocation Fund .....	+5,579	0	0	0
TOTAL APPROP. (w/ transfers/rescissions) .....	234,148	232,969	152,121	-80,848

\* See Appendix N for proposed 2012 construction projects.

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>
TOTAL APPROPRIATION .....	-80,848	
Line Item Construction and Maintenance .....	-76,641	Construction Program Management and Operations .... -945
Line Item Construction Program .....	-76,641	Park Planning, Facilities and Lands Oversight .... +1,292
Fixed Costs .....		Management Efficiencies ..... +7
North Shore Road Settlement.....	+4,000	2011 Interior-wide and Bureau
Special Programs.....	-4,165	Management Efficiencies ..... -235
Housing Improvement Program.....	-2,000	2012 Administrative Cost Savings ..... -2,009
Dam Safety Program.....	-1,250	
2011 Interior-wide and Bureau		Management Planning ..... -692
Management Efficiencies .....	-915	Unit Management Plans ..... -916
Construction Planning.....	-2,405	Special Resource Studies ..... +485
Construction Planning.....	-1,831	Transfer Rivers and Trails Studies from National Recreation and Preservation ..... +408
Fixed Costs .....	-2	Management Efficiencies ..... -2
2011 Interior-wide and Bureau		Management Efficiencies ..... -42
Management Efficiencies .....	-1	2012 Administrative Cost Savings ..... -625
2012 Administrative Cost Savings.....	-573	

### ***Detail of Budget Changes***

2012 Change from  
2010 Enacted/2011 CR

Construction Subtotals for  
Changes Across Multiple Subactivities

Fixed Costs .....	+5
2011 Interior-wide and Bureau	
Management Efficiencies .....	-1,193
2012 Administrative Cost Savings.....	-3,207

### **APPROPRIATION: Land Acquisition and State Assistance**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
<b>Federal Land Acquisition</b>				
Federal Land Acquisition Administration	9,500	9,500	12,000	+2,500
Emergency, Hardship, Relocation.....	3,000	3,000	12,000	+9,000
Inholdings, Donations, and Exchanges	5,000	5,000	17,000	+12,000
American Battlefield Protection				
Program Acquisition Grants.....	9,000	9,000	10,000	+1,000
Land Acquisition Projects* .....	59,766	59,766	109,000	+49,234
Subtotal, Federal Land Acquisition.....	86,266	86,266	160,000	+73,734
<b>State Assistance</b>				
State Conservation Grants Admin.....	2,800	2,800	5,000	+2,200
State Conservation Grants .....	37,200	37,200	78,000	+40,800
Competitive State Conservation Grants	0	0	117,000	+117,000
Subtotal, State Assistance.....	40,000	40,000	200,000	+160,000
<b>TOTAL APPROPRIATION</b>	<b>126,266</b>	<b>126,266</b>	<b>360,000</b>	<b>+233,734</b>

\* See Appendix G for proposed 2012 land acquisitions projects.

### ***Detail of Budget Changes***

2012 Change from  
2010 Enacted/2011 CR

2012 Change from  
2010 Enacted/2011 CR

TOTAL APPROPRIATION .....+233,734

Federal Land Acquisition.....	+73,734
Federal Land Acquisition Administration.....	+2,495
Emergency, Hardship, Relocation .....	+9,000
Inholdings, Donations, and Exchanges Prog.....	+12,000
American Battlefield Protection Program Grants.+1,000	
Federal Land Acquisition Projects.....	+49,234
Fixed Costs .....	+5

State Assistance .....	+160,000
State Conservation Grants Administration.....	+2,200
State Conservation Grants .....	+40,800
Competitive State Conservation Grants .....	+117,000

### **APPROPRIATION: Land and Water Conservation Fund Contract Authority**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
<b>TOTAL APPROPRIATION</b>	<b>-30,000</b>	<b>-30,000</b>	<b>-30,000</b>	<b>0</b>





# INDIAN AFFAIRS

**Mission** – The mission of the Bureau of Indian Affairs is to enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and improve the trust assets of American Indians, Indian Tribes, and Alaska Natives. The mission of the Bureau of Indian Education is to provide quality education opportunities from early childhood through life in Indian Country.

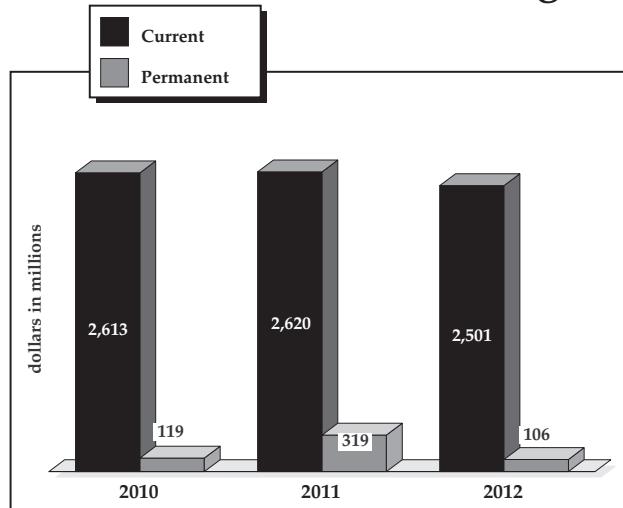
**Budget Overview** – The 2012 budget request for Indian Affairs is \$2.5 billion in current appropriations, which is \$118.9 million or 4.5 percent below the 2010 Enacted / 2011 CR level.

**Strengthening Tribal Nations Initiative** – The Strengthening Tribal Nations Initiative is a multi-faceted effort that will advance Nation-to-Nation relationships, improve Indian education, protect Indian communities, and reform trust land management, with an ultimate goal of greater self-determination.

*Advancing Nation-to-Nation Relationships* – In total, \$42.3 million in programmatic increases are requested in the 2012 budget for these efforts. The additional funding increase of \$29.5 million in contract support and self-determination funds will strengthen the capacity of Tribes to manage the Federal programs they contract, as well as eliminate the need for Tribes to use program funds to fulfill administrative requirements. The initiative includes \$3.0 million to support small Tribes, with a population under 1,700 members, in order to improve effectiveness of their tribal governments.

To ensure contract oversight of anticipated increasing self-determination contracts, \$1.0 million will fund additional Self-Determination Specialist positions. The budget contains \$2.0 million to hire additional social workers to assist tribal communities with problems of unemployment, substance abuse, domestic violence, and suicide prevention which has been identified as a high priority issue. The request also contains \$500,000 for the development of a performance data management system to assist Tribes with annual audit and reporting requirements, \$450,000 for hiring of additional acquisition

## Indian Affairs Funding



personnel, and an increased payment for the Navajo-Gallup Settlement.

*Protecting Indian Country* – The 2012 request provides an increase of \$20.0 million in program funding over the 2010 Enacted / 2011 CR level. Of this increase, \$5.1 million will allow tribal and bureau law enforcement operations to hire additional staff. Another \$10.4 million will fund staff for tribal and bureau detention operations. To fund operational activities of detention facilities throughout Indian Country, \$13.8 million is provided, which includes an increase of \$1.0 million. An increase of \$2.5 million will be allocated to tribal courts, which are expected to see an increase in case loads as well as \$1.0 million for the Conservation Law Enforcement Officers who will assist law enforcement efforts on trust and non-trust land.

*Improving Trust Land Management* – The budget includes \$18.4 million in programmatic increases for land and water management activities. The increase in funding includes: \$1.2 million for land development in the former Bennett Freeze area; \$1.9 million for the probate program; \$1.0 million for the Forestry Program; and \$330,000 for cadastral surveys on the Nez Perce Reservation.

## INDIAN AFFAIRS FACTS

- Established in 1824 under the War Department and transferred to Interior in 1849.
- Provides services to approximately 1.7 million American Indians and Alaska Natives in 565 federally recognized Tribes in the 48 contiguous States and Alaska.
- Administers and manages 55 million surface acres and 57 million acres of subsurface minerals estates held in trust by the U.S. for individuals and Tribes.
- The Bureau of Indian Education provides education services to approximately 41,000 Indian students through 183 schools and dormitories. The BIE also provides funding to 31 tribal colleges, universities, and post secondary schools.
- Employs approximately 8,500 personnel of whom about 87 percent are American Indian or Alaska Native.

The 2012 request provides \$2.0 million for the Rights Protection Implementation program and the Tribal Management and Development program to support fishing, hunting, and gathering rights on and off reservations. The 2012 request provides \$2.0 million for Fish, Wildlife and Parks projects specifically to support fisheries management at BIA and tribal levels. The budget also provides an additional \$500,000 for the Invasive Species/Noxious Weed Eradication program to provide weed control on 20,000 acres.

The budget proposes an additional \$1.0 million for the Water Management and Pre-Development program to assist Tribes in the identification and quantification of water resources. An increase of \$1.0 million is included in the request for Water Rights Negotiation/Litigation to defend and assert Indian water rights. The budget provides an increase of \$3.8 million for the Safety of Dams program to improve program management, support emergency management, and to expedite repairs at high risk dams. Also included are \$3.5 million for the New Energy Frontier and \$200,000 for the Cooperative Landscape Conservation initiatives.

*Advancing Indian Education* – The budget provides an increase of \$8.9 million to improve the state of BIE schools. To promote safe and secure schools, \$3.9 million will be used to implement new safety and security measures at ten schools and two dormitories. Tribal Grant Support Costs will receive an increase of \$3.0 million to cover administrative and indirect costs of operating tribally run schools under contract or grant authorization. An increase of \$2.0 million will provide funds for additional environmental professionals to conduct environmental audits at BIE schools.

**New Energy Frontier Initiative** – The 2012 budget includes an increase of \$3.5 million in Indian Affairs for

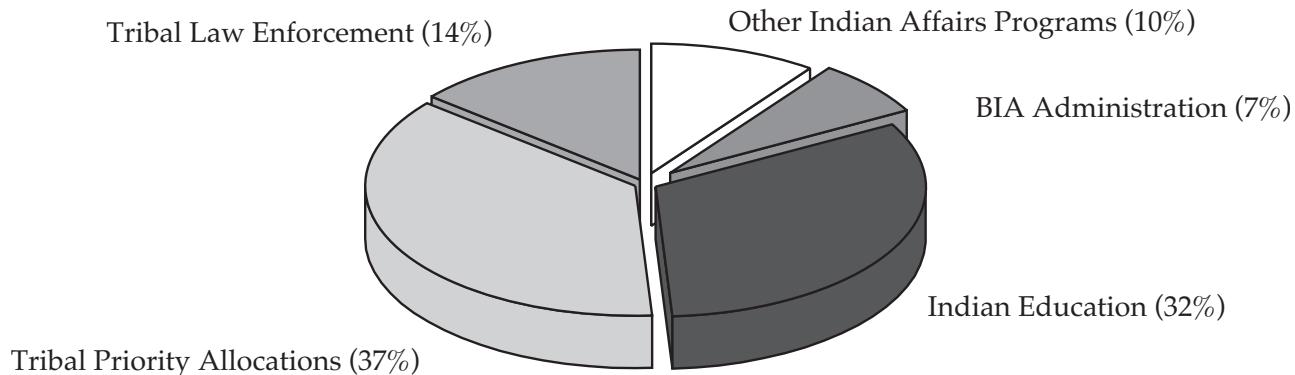
energy projects as part of the Department's New Energy Frontier initiative. This increase includes \$2.0 million in the Minerals and Mining program to provide grants directly to Tribes for projects to evaluate and develop renewable energy resources on tribal trust land. The budget also contains \$1.0 million for conventional energy development on the Fort Berthold Reservation. An additional \$500,000 is provided to fund staff for a one-stop shop on this Reservation.

**Cooperative Landscape Conservation Initiative** – The budget includes \$200,000 as part of Interior's Cooperative Landscape Conservation strategy. This funding will support BIA and tribal collaboration with the Department's Landscape Conservation Cooperatives, providing tribal input and perspective to climate adaptation issues in the form of traditional ecological knowledge. Both Indian Affairs staff and local tribal members will be involved with the LCCs.

**Operation of Indian Programs** – The 2012 budget request for the Operation of Indian Programs account is funded at \$2.4 billion. The 2012 request includes \$43.3 million in program decreases including an administrative central office reduction of \$14.2 million for streamlining and improving oversight operations and to correspond to other programmatic cuts within the 2012 request. The budget reduces Real Estate Projects by \$10.9 million; the remaining funds will focus program operations on cadastral surveys as a driver for economic development for Tribes. The budget reduces Land Records Improvement by \$8.5 million; the remaining funding will maintain core operations of the Trust Asset and Accounting Management System. The request reduces the Probate Backlog program by \$7.5 million as over 18,000 cases are expected to be completed. An additional \$2.0 million is reduced from the Minerals and Mining Projects subactivity.

## Operation of Indian Programs

### \$2.4 billion



In 2012, more than nine of every ten dollars appropriated to Indian Affairs will be provided to education, human services, trust services, and other on-the-ground programs.

*Other Indian Affairs Programs includes the following: resources management, trust services, information technology, and other program-related costs.*

The 2012 request includes a reduction of \$50.0 million to eliminate one-time funding provided in 2010 to Tribal Colleges and Universities. The request includes a reduction of \$7.9 million for program eliminations including \$2.1 million for the Litigation Support/Attorney Fees program and \$1.4 million for the Community Development program. The BIE budget contains reductions of \$3.8 million to eliminate funding for the Residential Education Placement Program and \$620,000 to eliminate funding for the Juvenile Detention Education program. The BIE will use Indian School Equalization Program formula funds to cover costs for the programs in 2012.

**Construction** – The 2012 budget requests \$105.0 million for Construction. This includes a proposed transfer of \$57.3 million to consolidate facilities operations and maintenance funding from the Construction account to the Operation of Indian Programs account. Included in the Construction request is \$52.1 million for Education, \$11.3 million for Public Safety and Justice, \$33.0 million for Resources Management, and \$8.5 million for Other Program Construction. The Education Construction budget includes a realignment of \$13.8 million from Replacement School Construction and Replacement Facility Construction to Facilities Improvement and Repair; this realignment will allow Indian Affairs to address the building conditions of existing school facilities.

The 2012 request includes a total of \$65.0 million in programmatic decreases in Construction. A program decrease of \$41.5 million is included for new construc-

tion of detention center facilities; there is funding in the Department of Justice for the same activity. Also, the budget is reduced by \$5.0 million for Employee Housing in the Public Safety and Justice Construction budget and \$9.0 million for the Navajo Indian Irrigation Project.

**Tribal Priority Allocations** – Collectively, the budget proposes an increase of \$870.7 million in Tribal Priority Allocations, which is \$41.4 million over the 2010 Enacted/2011 CR level.

**Resolving Land and Water Claims** – The 2012 budget request for BIA Indian Land and Water Claim Settlements is \$32.9 million. The budget request includes \$9.5 million for the sixth of seven required payments for the Nez Perce/Snake River Water Rights Settlement.

The Omnibus Public Land Management Act of 2009 authorizes \$60.0 million over five years for the Shoshone-Paiute Tribes of the Duck Valley Reservation Water Settlement. The budget includes \$12.0 million, the third of five payments to satisfy this requirement. The Act also authorizes \$50.0 million over ten years for the Navajo Nation Water Resources Development Trust Fund. The budget request includes \$6.0 million, the third payment to satisfy this requirement. The budget also includes \$4.4 million for the San Juan Conjunctive Use Wells and San Juan River Navajo Irrigation Project Rehabilitation, which are part of the Navajo-Gallup Settlement. Additional funding of \$1.0 million is included for other Indian Land and Water Settlements.

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On December 8, 2010, President Obama signed into law the Claims Resolution Act of 2010. The legislation included four water settlements for Taos Pueblo of New Mexico, the Pueblos of New Mexico named in the Aamodt case, the Crow Tribe of Montana, and the White Mountain Apache Tribe of Arizona. The primary responsibility for constructing water systems associated with the settlements was given to the Bureau of Reclamation and BIA is responsible for the majority of the trust funds. Mandatory funding was provided to BIA in 2011 for a large portion of the authorized trust funds. The BIA is working with all parties to quickly implement these settlements. The budget request includes discretionary funding within the Bureau of Reclamation to initiate these four settlements.

The Federal government's commitments for the Puget Sound Regional Shellfish Settlement and the Soboba Band of Luiseno Indian Settlement have been fulfilled.

**Indian Guaranteed Loan Program** - The budget provides \$3.1 million for the loan program, a reduction of \$5.1 million from the 2010 Enacted/2011 CR level. In 2012, the program will develop a comprehensive performance metric framework, undergo a program evaluation, and improve collaborative efforts with other Federal agencies.

**Indian Land Consolidation Program** - The 2012 budget request includes a decrease of \$3.0 million for the Indian Land Consolidation Program in BIA. The Claims Resolu-

tion Act of 2010 included the *Cobell v. Salazar* settlement agreement. The agreement includes a \$1.9 billion permanent fund for land consolidation in the Office of the Secretary. This new funding will be utilized to reduce the number of fractionalized land interests. Consolidating these interests will make the land more economically viable for use by the Tribes.

**Fixed Costs** - Fixed costs of \$8.2 million are funded in the request, the majority of which will be allocated to Tribes.

**Administrative Cost Savings and Management Efficiencies** - The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, the Indian Affairs budget includes \$13.4 million in savings in 2012 against actual 2010 expenditures in the following activities: \$3.1 million for travel and transportation of persons, \$469,000 for transportation of things, \$84,000 for printing and reproduction, \$3.3 million for advisory and assistance services, and \$6.4 million for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$5.2 million in travel and relocation, information technology, and strategic sourcing and bureau-specific efficiencies totaling \$748,000.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted /		2012 Request		Change	
	FTE	2011 CR Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Operation of Indian Programs .....	5,768	2,335,965	5,989	2,359,692	+221	+23,727
Reimbursable Programs.....	776	0	776	0	0	0
Allocations from Other Agencies.....	501	0	501	0	0	0
Construction .....	405	225,000	126	104,992	-279	-120,008
Reimbursable Programs.....	14	0	14	0	0	0
Allocations from Other Agencies.....	326	0	326	0	0	0
Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians .....	0	47,380	0	32,855	0	-14,525
Indian Guaranteed Loan Program Account.....	0	8,215	0	3,114	0	-5,101
Indian Land Consolidation Program .....	12	3,000	0	0	-12	-3,000
Subtotal, Appropriations.....	7,802	2,619,560	7,732	2,500,653	-70	-118,907
<b>Permanents and Trusts</b>						
Operation and Maintenance of Quarters.....	48	5,650	48	5,533	0	-117
Miscellaneous Permanent Appropriations.....	308	95,497	308	98,691	0	+3,194
White Earth Settlement Fund .....	0	2,500	0	2,500	0	0
Other Settlements from P.L. 111-291 .....	0	207,176	0	0	0	-207,176
Gifts and Donations.....	0	100	0	100	0	0
Indian Loan Guaranty and Insurance Fund Liquidating Account.....	0	-100	0	-80	0	+20
Indian Direct Loan Program Account .....	0	2,690	0	0	0	-2,690
Indian Guaranteed Loan Program Account.....	0	6,068	0	0	0	-6,068
Revolving Fund for Loans, Liquidating Account...	0	-875	0	-750	0	+125
Subtotal, Permanents and Trusts .....	356	318,706	356	105,994	0	-212,712
<b>TOTAL, BUREAU OF INDIAN AFFAIRS .....</b>	<b>8,158</b>	<b>2,938,266</b>	<b>8,088</b>	<b>2,606,647</b>	<b>-70</b>	<b>-331,619</b>

**HIGHLIGHTS OF BUDGET CHANGES**  
**By Appropriation Activity/Subactivity**

**APPROPRIATION: Operation of Indian Programs**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
<b>Tribal Government</b>				
Aid To Tribal Government.....	33,195	33,195	30,541	-2,654
Consolidated Tribal Gov't Program .....	71,659	71,659	76,520	+4,861
Self Governance Compacts .....	147,762	147,762	155,084	+7,322
Contract Support.....	166,000	166,000	195,490	+29,490
Indian Self Determination Fund .....	2,000	2,000	2,000	0
New Tribes .....	311	311	315	+4
Small and Needy Tribes .....	0	0	2,950	+2,950
Road Maintenance .....	0	0	25,431	+25,431
Tribal Gov't Program Oversight .....	8,851	8,851	8,762	-89
Subtotal, Tribal Government .....	429,778	429,778	497,093	+67,315
<b>Human Services</b>				
Social Services.....	33,766	33,766	35,627	+1,861
Welfare Assistance.....	74,915	74,915	74,911	-4
Indian Child Welfare Act .....	11,143	11,143	10,867	-276
Housing Improvement Program.....	12,620	12,620	12,619	-1
Human Services Tribal Design.....	455	455	430	-25
Human Services Program Oversight ...	4,097	4,097	3,373	-724
Subtotal, Human Services.....	136,996	136,996	137,827	+831
<b>Trust - Natural Resources Management</b>				
Natural Resources .....	4,641	4,641	5,124	+483
Irrigation Ops and Maintenance.....	11,970	11,970	11,939	-31
Rights Protection Implementation.....	30,451	30,451	29,602	-849
Tribal Mgmt./Development Program..	5,636	5,636	8,651	+3,015
Endangered Species .....	1,249	1,249	1,247	-2
Cooperative Landscape Conservation.	0	0	200	+200
Integrated Resource Info Program .....	2,130	2,130	2,109	-21
Agriculture and Range .....	28,912	28,912	28,883	-29
Forestry .....	43,854	43,854	44,195	+341
Water Resources .....	10,084	10,084	10,839	+755
Fish, Wildlife and Parks .....	11,410	11,410	13,342	+1,932
Minerals and Mining .....	18,622	18,622	0	-18,622
Resource Mgmt. Program Oversight ...	6,659	6,659	6,121	-538
Subtotal, Trust - NR Management ....	175,618	175,618	162,252	-13,366
<b>Trust - Real Estate Services</b>				
Trust Services .....	9,672	9,672	9,494	-178
Navajo-Hopi Settlement Program .....	1,230	1,230	1,206	-24
Probate .....	20,573	20,573	12,748	-7,825
Land Title and Records Offices .....	14,556	14,556	14,436	-120
Real Estate Services .....	48,398	48,398	37,753	-10,645
Land Records Improvement.....	15,454	15,454	6,793	-8,661
Environmental Quality .....	14,714	14,714	16,533	+1,819
Alaskan Native Programs .....	1,033	1,033	1,034	+1
Rights Protection .....	12,036	12,036	10,900	-1,136
Trust - Real Estate Services Oversight..	14,827	14,827	14,560	-267
Subtotal, Trust - Real Estate Services	152,493	152,493	125,457	-27,036

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
<b>Public Safety and Justice</b>				
Law Enforcement .....	303,152	303,152	329,391	+26,239
Conservation Law Enforcement				
Officer Program.....	0	0	1,000	+1,000
Tribal Courts .....	24,704	24,704	23,445	-1,259
Fire Protection .....	999	999	873	-126
Subtotal, Public Safety and Justice ...	328,855	328,855	354,709	+25,854
<b>Community and Economic Development</b>				
Job Placement and Training .....	11,654	11,654	11,520	-134
Economic Development .....	2,241	2,241	2,346	+105
Road Maintenance .....	26,490	26,490	0	-26,490
Community Development.....	1,400	1,400	0	-1,400
Minerals and Mining .....	0	0	18,689	+18,689
Community Development Oversight ..	3,125	3,125	2,310	-815
Subtotal, Comm. and Econ. Dev .....	44,910	44,910	34,865	-10,045
<b>Executive Direction and Admin Services</b>	267,915	267,915	251,935	-15,980
<b>Bureau of Indian Education</b>				
Elementary and Secondary Programs (forward funded).....	518,702	518,702	526,117	+7,415
Elementary and Secondary Programs..	77,379	77,379	122,730	+45,351
Post Secondary Programs (forward funded).....	50,000	50,000	64,321	+14,321
Post Secondary Programs .....	126,791	126,791	60,380	-66,411
Education Management .....	26,528	26,528	22,006	-4,522
Subtotal, Bureau of Indian Education .....	799,400	799,400	795,554	-3,846
<b>TOTAL APPROPRIATION</b> .....	2,335,965	2,335,965	2,359,692	+23,727

### ***Detail of Budget Changes***

	2012 Change from <u>2010 Enacted/2011 CR</u>	2012 Change from <u>2010 Enacted/2011 CR</u>	
<b>TOTAL APPROPRIATION</b> .....	+23,727		
 Tribal Government.....	+67,315	Trust - Natural Resources Management .....	13,366
Contract Support.....	+25,490	Natural Resources.....	+1,200
Indian Self-Determination Fund.....	+4,000	Rights Protection Implementation.....	+1,000
Small and Needy Tribes .....	+2,950	Tribal Management/Development Program .....	+1,000
Central Oversight .....	-1,041	Cooperative Landscape Conservation .....	+200
Regional Oversight .....	+1,000	Invasive Species/Noxious Weed Eradication.....	+500
OIP Internal Transfers.....	+33,042	Forestry Program .....	+1,000
Fixed Costs.....	+3,277	Water Management, Planning and Pre-Development .....	+1,000
2011 Interior-wide and Bureau Management Efficiencies .....	-162	Wildlife and Parks Program .....	+1,000
2012 Administrative Cost Savings.....	-1,241	Fish, Wildlife and Parks Projects.....	+1,000
 Human Services.....	+831	Central Oversight.....	-562
Social Services.....	+2,000	OIP Internal Transfers.....	-19,743
Central Oversight.....	-523	Fixed Costs .....	+485
OIP Internal Transfers.....	-758	2011 Interior-wide and Bureau Management Efficiencies .....	-259
Fixed Costs.....	+328	2012 Administrative Cost Savings .....	-1,187
2011 Interior-wide and Bureau Management Efficiencies .....	-50	 Trust - Real Estate Services .....	-27,036
2012 Administrative Cost Savings.....	-166	Probate Backlog .....	-7,452

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### ***Detail of Budget Changes***

	<u>2012 Change from 2010 Enacted/2011 CR</u>	<u>2012 Change from 2010 Enacted/2011 CR</u>
Trust - Real Estate Services (continued)		
Real Estate Services Program .....	+1,000	
Real Estate Services Projects.....	-10,852	
Land Records Improvement - Central .....	-8,451	
Environmental Quality Projects.....	+2,000	
Water Rights Negotiations/Litigation .....	+1,000	
Litigation Support/ Attorney Fees.....	-2,101	
Central Oversight.....	+366	
OIP Internal Transfers.....	-451	
Fixed Costs.....	+79	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-439	
2012 Administrative Cost Savings.....	-1,735	
Public Safety and Justice .....	+25,854	
Criminal Investigations and Police Services .....	+5,105	
Detention/ Corrections .....	+10,395	
Facilities Operations and Maintenance.....	+1,000	
Conservation Law Enforcement Officer Prog.....	+1,000	
Tribal Courts .....	+2,500	
OIP Internal Transfers.....	+9,261	
Fixed Costs.....	+1,351	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-678	
2012 Administrative Cost Savings.....	-4,080	
Community and Economic Development.....	-10,045	
Community Development .....	-1,400	
Minerals and Mining Program.....	+500	
Minerals and Mining Oversight.....	-586	
Central Oversight.....	-770	
Community and Economic Development (continued)		
OIP Internal Transfers.....	-7,588	
Fixed Costs.....	+38	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-41	
2012 Administrative Cost Savings.....	-198	
Executive Direction and Administrative Services.....	-15,980	
Performance Data Management System .....	+500	
Executive Direction (Regional).....	-150	
Administrative Services (Central) .....	-1,549	
Information Resources Technology .....	-2,500	
Labor-Related Payments and Training .....	-1,000	
OIP Internal Transfers.....	-5,182	
Fixed Costs.....	-1,269	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-1,888	
2012 Administrative Cost Savings.....	-2,942	
Bureau of Indian Education.....	-3,846	
ISEP Program Adjustments .....	+3,900	
Tribal Grant Support Costs .....	+3,000	
Residential Education Placement Program .....	-3,760	
Juvenile Detention Education .....	-620	
Tribal Colleges and Universities .....	-50,000	
Education Program Management.....	-3,600	
OIP Internal Transfers.....	+48,527	
Fixed Costs.....	+3,909	
2011 Interior-wide and Bureau		
Management Efficiencies .....	-1,090	
2012 Administrative Cost Savings.....	-4,112	

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## APPROPRIATION: Construction

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Education Construction .....	112,994	112,994	52,104	-60,890
Public Safety and Justice Construction ....	64,407	64,407	11,329	-53,078
Resources Management Construction ....	38,385	38,385	33,012	-5,373
Other Program Construction.....	9,214	9,214	8,547	-667
TOTAL APPROPRIATION .....	225,000	225,000	104,992	-120,008

\* See Appendix N for proposed 2012 construction projects.

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>	
TOTAL APPROPRIATION .....	-120,008		
Education Construction .....	-60,890	Resources Management Construction .....	-5,373
Replacement School Construction .....	-5,755	Navajo Indian Irrigation Project .....	-9,039
Replacement Facility Construction .....	-17,013	Safety of Dams.....	+3,830
Facilities Improvement and Repair .....	+13,840	Fixed Costs.....	+3
Internal Transfers .....	-50,746	2011 Interior-wide and Bureau	
Fixed Costs.....	+9	Management Efficiencies .....	-56
2011 Interior-wide and Bureau		2012 Administrative Cost Savings.....	-111
Management Efficiencies .....	-466		
2012 Administrative Cost Savings.....	-759		
Public Safety and Justice Construction .....	-53,078	Other Program Construction.....	-667
Facilities Replacement/New Construction.....	-41,500	Construction Program Management.....	-500
Employee Housing .....	-5,000	Internal Transfers .....	+183
Internal Transfers .....	-6,523	2011 Interior-wide and Bureau	
Fixed Costs.....	+1	Management Efficiencies .....	-64
2011 Interior-wide and Bureau		2012 Administrative Cost Savings.....	-286
Management Efficiencies .....	-7		
2012 Administrative Cost Savings.....	-49		

### APPROPRIATION: Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Land Settlements				
White Earth Land Settlement (Admin)..	625	625	625	0
Hoopa-Yurok Settlement Fund .....	250	250	250	0
Water Settlements				
Pyramid Lake Water Rights Settlement	142	142	142	0
Nez Perce/Snake River .....	15,463	15,463	9,450	-6,013
Navajo Water Resources Development Trust Fund .....	6,000	6,000	6,000	0
Duck Valley Water Rights Settlement ..	12,000	12,000	12,000	0
Navajo-Gallup Water Settlement .....	0	0	4,388	+4,388
Miscellaneous Payments				
Puget Sound Regional Shellfish Settlement.....	5,000	5,000	0	-5,000
Pueblo of Isleta Settlement.....	2,400	0	0	0
Soboba Band of Luiseno Indians Settlement.....	5,500	5,500	0	-5,500
Other Settlements.....	0	2,400	0	-2,400
TOTAL APPROPRIATION .....	47,380	47,380	32,855	-14,525

### APPROPRIATION: Indian Guaranteed Loan Program Account

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	1,395	8,215	3,114	-5,101

### *Detail of Budget Changes*

2012 Change from <u>2010 Enacted/2011 CR</u>	2012 Change from <u>2010 Enacted/2011 CR</u>
TOTAL APPROPRIATION .....	-5,101
Subsidies.....	-4,436
Program Management.....	-572
Loan Program Internal Transfers.....	-22
2011 Interior-wide and Bureau	
Management Efficiencies .....	-35
2012 Administrative Cost Savings.....	-36

### APPROPRIATION: Indian Land Consolidation Program

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	3,000	3,000	0	-3,000



# DEPARTMENTAL OFFICES

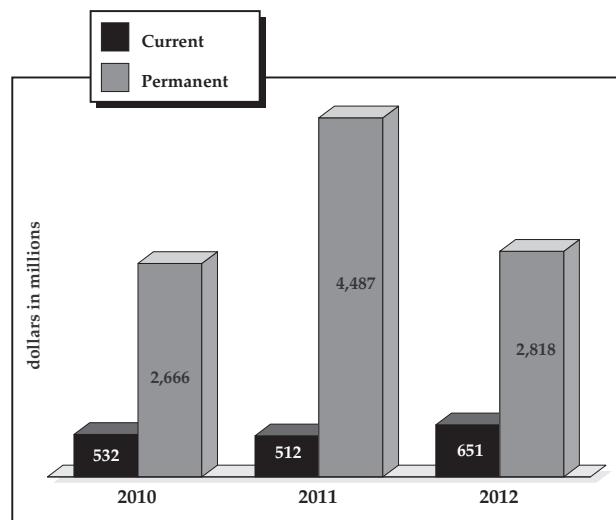
**Overview** – The Department of the Interior protects and manages the Nation's cultural heritage and natural resources; provides scientific and other information about those resources; and honors trust responsibilities and commitments to American Indians, Alaska Natives, and affiliated island communities.

Departmental Offices provide leadership, management, and coordination activities; deliver services to Interior's bureaus and offices; and operate unique cross-cutting functions that do not logically fit elsewhere. The Office of the Secretary provides executive leadership for the Department through the development of policy, legislation, and the annual budget. The Office of the Secretary also provides administrative services such as finance, information resources, acquisition, and human resources. The Office also manages the administrative appeals functions contained in the Office of Hearings and Appeals, protects and promotes native arts through the Indian Arts and Crafts Board, appraises the value of lands and minerals through the Office of Valuation Services, and collects and disburses revenues from energy production on Federal and American Indian lands and on the Outer Continental Shelf through the Office of Natural Resources Revenue.

The Office of Natural Resources Revenue was established within the Office of the Secretary on September 30, 2010 as part of the reorganization of the former Minerals Management Service. The ONRR strives to improve the management and oversight of royalty and revenue collection and disbursement activities for the Department. The Office is responsible for ensuring revenue from Federal and Indian mineral leases is effectively and accurately collected and disbursed to recipients in approximately 38 States, 41 Indian Tribes, some 30,000 American Indian mineral royalty owners, and U.S. Treasury accounts.

Several programs within Departmental Offices are funded in separate appropriations. The Office of Insular Affairs provides assistance to insular areas. The Office of the Special Trustee for American Indians manages and discharges the Secretary of the Interior's responsibility for over \$3.6 billion in trust assets for American Indians. Upon final approval of the *Cobell v. Salazar* settlement

## Departmental Offices Funding



agreement, the Department will implement and manage the \$1.9 billion Trust Land Consolidation program established under the Claims Resolution Act of 2010. This program will provide individual Indians the opportunity to obtain payment for divided land interests and release the lands for the benefit of tribal communities. Departmental Offices also include the Office of the Solicitor, which provides legal services to the bureaus and offices on behalf of the Secretary, and the Office of Inspector General, which reviews Interior activities and conducts audits and investigations.

The Office of the Secretary also manages four Department-wide programs. The Payments in Lieu of Taxes program provides payments to local governments in jurisdictions where Federal lands are located; the Central Hazardous Materials Fund provides a coordinated, consistent approach to remediate Interior sites impacted by hazardous substances; the Natural Resource Damage Assessment and Restoration program coordinates all of the Department's restoration efforts for affected resources injured as a result of oil spills or hazardous substance releases into the environment; and the Wildland Fire

Management program addresses wildfire on public lands. Working collaboratively with the participating bureaus, the Department coordinates wildland fire activities within Interior and with the U.S. Forest Service. The Office of the Secretary also manages the Department's Working Capital Fund and the Interior Franchise Fund. These Department-wide programs are discussed as a separate chapter in the Bureau Highlights.

The 2012 budget reflects two years of targeted administrative savings efforts. The first phase of the Department's savings strategy began with the 2011 President's budget, with the proposed implementation of Interior-wide policy changes in travel and relocation, information technology consolidation, strategic sourcing, and bureau efficiencies of \$10.3 million. The second phase of Interior's savings strategy identifies another \$13.7 million in reductions. These reductions build upon the efforts initiated in phase one and target efficiencies in high cost areas such as supplies, travel, and advisory and assistance services.

The 2012 budget request continues support for deployment of an integrated business management system, the Financial and Business Management System. This system has been deployed at four bureaus including the Bureau of Ocean Energy Management, Regulation and Enforcement; Office of Surface Mining; Bureau of Land Management; and U.S. Geological Survey. Departmental Offices and the Fish and Wildlife Service are scheduled for deployment in late 2011. To strengthen accountability and financial management, FBMS will replace a variety of outdated stand-alone systems that are costly to operate, difficult to secure, and unable to provide integrated financial information.

#### Office of the Secretary

**Mission** – The Office of the Secretary provides the executive level leadership, policy, guidance, and coordination needed to manage the diverse, complex, and

nationally significant programs that are the Department of the Interior's responsibilities.

**Budget Overview** – The 2012 budget request for Departmental Operations is \$283.7 million, of which \$147.9 million is for the new Office of Natural Resources Revenue. The budget includes the elimination of \$1.0 million for the National Museum of American Latino Commission reflecting completion of the commission's study, and \$876,000 in general savings and reductions. Program increases include \$25.6 million to continue ONRR reforms, \$12.9 million for Office of Valuation Services, \$250,000 for a Program Evaluation initiative, and \$225,000 to support the Assistant Secretary for Insular Areas.

**America's Great Outdoors Initiative** – The 2012 budget for the Office of the Secretary includes an increase of \$12.9 million for Office of Valuation Services to support the Administration's Land and Water Conservation Fund proposal. Increased support will be needed to further reduce the appraisal backlog and ensure timely completion of appraisals associated with a requested \$160.6 million increase in Federal land acquisition.

**Natural Resources Revenue Management Reform** - The 2012 budget reflects the transfer of ONRR from BOEMRE to the Office of the Secretary. This Office is responsible for ensuring revenue from Federal and Indian mineral leases is effectively, efficiently, and accurately collected, accounted for, analyzed, audited, and disbursed to recipients. Revenue distributions, which totaled \$9.2 billion in 2010, benefit approximately 38 States, 41 Indian Tribes, some 30,000 American Indian mineral royalty owners, and U.S. Treasury accounts. The 2011 Continuing Resolution provided an increase of \$12.9 million over 2010 Enacted to enhance ONRR's compliance and validation activities including development of a suite of integrated compliance tools that will increase efficiency and accuracy of collections while addressing several overlapping recommendations from independent entities including

#### DISTRIBUTION OF ONRR'S DISCRETIONARY FUNDING FOR YEAR-TO-YEAR COMPARABILITY

	2010 Enacted	2011 CR	2012 Budget	2012 +/- 2010	2012 +/- 2011
<b>Office of Natural Resources Revenue</b>					
Compliance and Asset Management.....	50.9	62.9	77.2	+26.3	+14.3
Revenue and Operations.....	40.1	41.0	42.4	+2.3	+1.4
Leadership and Administration.....	18.2	18.2	28.3	+10.1	+10.1
<b>TOTAL .....</b>	<b>109.2</b>	<b>122.1</b>	<b>147.9</b>	<b>+38.7</b>	<b>+25.8</b>

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the Government Accountability Office; improve State and tribal audit program reporting; increase valuation and market research capabilities to complement production assurance efforts; and transition the royalty-in-kind activities to royalty-in-value.

The budget reflects the transfer from BOEMRE of \$122.1 million in base funding at the 2011 CR level for ONRR programs as illustrated in the table on the previous page. This is an increase of \$12.9 million from the 2010 Enacted level. The 2012 budget includes an increase of \$5.5 million from the 2011 CR level and \$13.5 million from the 2010 Enacted level to complete the transition of RIK to royalty-in-value. The RIK program allowed oil and gas producers to make royalty payments using oil and gas which ONRR then sold on the open market. Under royalty-in-value, oil and gas producers now pay royalties in cash. With the termination of the RIK program, mandatory funding through receipts will no longer be available to ONRR. Funding is required to maintain compliance oversight capabilities and increase audit capacity to cover royalty payments that ONRR will now collect in cash. The requested increase in discretionary funding will be offset by an equivalent transfer to the U.S. Treasury of mandatory funds that were previously retained to fund the RIK program. The budget also proposes to solidify the RIK program termination through authorizing legislation that would repeal all Interior authorities to take future oil and gas royalties in kind.

The request also includes an increase of \$20.1 million from the 2011 CR level and \$25.0 million from the 2010 Enacted level to support the reorganization and incorporation of ONRR into the Office of the Secretary along with ongoing ONRR reforms. The increase will further enhance compliance activities initiated in 2011 by increasing audit, enforcement, and data mining capabilities, expanding the State and tribal audit program, and by supporting the development of strategies to optimize and improve ONRR's management and oversight of royalty and revenue collection and disbursement activities.

**Departmental Operations** – The 2012 budget includes two other program changes. First, an increase of \$225,000 is required to fund the Assistant Secretary for Insular Areas and associated support costs. This position was created to promote the economic, social, and political development of the U.S. affiliated insular areas.

Second, an increase of \$250,000 is requested for a new program evaluation initiative that will build the foundation for the Interior Department to conduct strong independent evaluations of program activities. This funding supports a government-wide effort to incorporate rigorous evaluation analysis into budget formulation and

policy decisions. Funding in 2012 will be used to build capacity through intra-Departmental coordination and data preparation and begin several program evaluations.

**Fixed Costs** – Fixed costs of \$6.2 million are funded in this request.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, the Office of the Secretary's budget includes \$584,000 in savings in 2012 against actual 2010 expenditures in the following activities: \$23,000 for travel and transportation of persons, \$3,000 for transportation of things, \$346,000 for printing and reproduction, \$203,000 for advisory and assistance services, and \$9,000 for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$687,000 in travel, relocation, and strategic sourcing.

#### **Office of Insular Affairs**

**Mission** – The Office of Insular Affairs assists U.S. affiliated islands to develop more efficient and effective governments by providing financial and technical assistance, and helps manage Federal-island relations by promoting appropriate Federal policies.

**Budget Overview** – The 2012 OIA budget request is \$97.2 million, of which \$87.2 million is for current appropriations and \$10.0 million is for a proposed transfer from the Department of Defense in anticipation of the military build-up on Guam. The budget reflects a decrease of \$1.1 million in current authority to the Assistance to Territories account from the 2010 Enacted / 2011 CR level. Since a new Compact with Palau has been signed and sent to Congress for authorization, the temporary extension of \$14.0 million from 2010 has not been re-proposed.

**Assistance to Territories** – The 2012 budget provides \$84.1 million for Assistance to Territories. Within this amount, \$2.8 million is provided to address socio-economic impacts on Guam due to the U.S. military build-up, specifically for technical assistance to improve Guam's tax system and collections, and for ambulances and fire equipment, and is offset by a decrease of \$2.0 million for Guam Infrastructure. Within funding available in the Office of Insular Affairs, \$330,000 is included to establish a Guam field office to serve as a main contact point to monitor and assist with the military build-up on the island. The budget also includes \$3.0 million for imple-

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mentation of energy projects identified by the Territories in their comprehensive sustainable energy strategies. The water and wastewater program in Territorial Assistance is terminated in the 2012 budget request, a decrease of \$1.7 million from the 2010 Enacted / 2011 CR level. Water and wastewater improvements will be addressed within existing Covenant Grants capital improvement resources.

**Compact of Free Association** – The 2012 budget includes a \$264,000 reduction for Enewetak support in the Compact of Free Association activity. Enewetak will maintain \$236,000 in discretionary funding to supplement an estimated \$1.5 million in permanent funds in 2012.

**Fixed Costs** – Fixed costs of \$129,000 are funded in this budget request.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, the OIA budget includes \$86,000 in savings in 2012 against actual 2010 expenditures in the activity travel and transportation of persons. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$253,000 in travel and relocation, information technology, and strategic sourcing.

#### **Office of the Solicitor**

**Mission** – The Office of the Solicitor's mission is to provide high quality legal and counseling services to the Secretary and Interior's offices and bureaus, administer the ethics program, help resolve legal issues among bureaus and offices as they fulfill their duties, and manage Interior's Freedom of Information Act appeals.

**Budget Overview** – The Solicitor's 2012 budget request is \$68.5 million, an increase of \$3.4 million over the 2010 Enacted / 2011 CR level.

**Salaries and Expenses** – The 2012 request includes increases of \$1.4 million to restructure and expand the current capacity of the Ethics Office and provide additional ethics staff working within the Department; \$400,000 to reestablish the Solicitor's Honors program; and \$250,000 for workforce planning to allow for retention and promotion of high performing attorneys within the Solicitor's Office. The budget includes decreases of \$62,000 for the Solicitor's training program and \$100,000 in space savings.

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**Fixed Costs** – Fixed costs of \$1.8 million are funded in this request.

**Administrative Cost Savings and Management Efficiencies** – In support of the President's commitment on fiscal discipline and spending restraint the Solicitor's office is participating in an aggressive Department-wide effort to curb non-essential administrative spending. The Solicitor's budget assumes \$231,000 in management efficiencies in the area of travel and relocation, information technology, and strategic sourcing.

#### **Office of Inspector General**

**Mission** – The mission of the Office of Inspector General is to promote excellence, accountability, and integrity in the programs, operations, and management of the Department of the Interior.

**Budget Overview** – The 2012 OIG budget request is \$49.5 million, an increase of \$881,000 over 2010 Enacted / 2011 CR, of which \$455,000 is provided for the Council of the Inspectors General on Integrity and Efficiency.

**Salaries and Expenses** – The 2012 budget request includes increases of \$455,000 for the Council of the Inspectors General on Integrity and Efficiency and \$117,000 for an additional FTE to support the Energy Investigation Unit. The request includes a decrease of \$150,000 from the closure of the OIG offices in Guam, St. Paul, Minnesota, and New York. The staff affected by the closure of the offices would be minimal. The staff will either telecommute from home or be offered the opportunity to relocate to another office, which would provide support for that geographic area.

**Fixed Costs** – Fixed costs of \$832,000 are funded in this budget request.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, the OIG's budget includes \$172,000 in savings in 2012 against actual 2010 expenditures in the following activities: \$40,000 for travel and transportation of persons, \$118,000 for advisory and assistance services, and \$14,000 for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$201,000 in travel and relocation, information technology, and strategic sourcing.

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## Office of the Special Trustee for American Indians

**Mission** – The Office of the Special Trustee for American Indians provides fiduciary guidance, management, and leadership for both Tribal Trust accounts and Individual Indian Money accounts. The OST oversees and coordinates the Department's efforts to establish consistent policies, procedures, systems, and practices throughout Interior for the Indian fiduciary trust. The OST has operational responsibility for financial trust fund management, including receipt, investment, and disbursement of Indian trust funds and for real estate appraisals on Indian trust lands. The OST manages over \$3.6 billion held in over 2,800 trust accounts for more than 250 Indian Tribes and over 380,000 open IIM accounts. The balances that have accumulated in the trust funds have resulted generally from judgment awards, settlement of claims, land-use agreements, royalties on natural resource use, other proceeds derived directly from trust resources, and financial investment income. The Office of Historical Trust Accounting has responsibility to plan, organize, direct, and execute the historical accounting of Tribal Trust accounts and IIM accounts. The Bureau of Land Management; Bureau of Ocean Energy Management, Regulation and Enforcement; Bureau of Indian Affairs; and the Secretary's Offices of Hearings and Appeals and Natural Resources Revenue carry out additional trust functions of the Department with oversight by the Special Trustee.

The Department has developed a comprehensive and systematic plan to reform the management of its trust responsibilities, the Fiduciary Trust Model. The primary concept of the FTM, working in partnership with the beneficiaries, is to improve the business processes for the delivery of services to tribal and individual Indian beneficiaries by standardizing, streamlining, and automating these processes and services. Recently, the FTM distributed funds for 8,061 completed probates which closed 10,168 estate accounts and provided records management training to 611 BIA and OST records contacts and 309 tribal employees.

**Budget Overview** – The 2012 OST budget requests \$152.3 million in current appropriations, which is \$24.7 million below the 2010 Enacted / 2011 CR level.

The 2012 OST budget includes program reductions of \$22.6 million, including reductions of: \$16.0 million for the Office of Historical Trust Accounting, \$4.5 million due to the completion of certain trust reform tasks and program savings, and \$2.1 million reflecting the elimination of reengineering activities. In addition OST identified \$3.3 million in administrative savings.

**Historical Accounting** – The OST request includes \$31.2 million for the OHTA. The 2012 budget addresses the enactment of a settlement for the *Cobell v. Salazar* lawsuit and assumes court approval of the settlement in 2011. The settlement does not address pending tribal cases. A total of \$27.2 million will be used to support analysis of tribal claims in coordination with the U.S. Department of Justice. There are currently 96 tribal cases pending involving 114 Tribes. A total of \$4.0 million will be used to resolve the proper ownership of residual balances in special deposit accounts and distribute account balances to Tribes, individual Indians, and non-trust entities.

**Fixed Costs** – Fixed costs of \$1.2 million are funded in this request.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, the OST budget includes \$3.0 million in savings in 2012 against actual 2010 expenditures in the following activities: \$267,111 for travel and transportation of persons, \$25,270 for transportation of things, \$20,940 for printing and reproduction, \$2.5 million for advisory and assistance services, and \$147,010 for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$332,000 in travel and relocation, information technology, and strategic sourcing and bureau-specific efficiencies totaling \$2.6 million.

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## SUMMARY OF BUREAU APPROPRIATIONS

(all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

	2010 Enacted / 2011 CR		2012 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
<b>Appropriations</b>						
Office of the Secretary.....	521	118,836	1,186	283,670	+665	+164,834
<i>Transfer of Office of Natural Resources Revenue .....</i>	[0]	[0]	[643]	[147,901]	[+643]	[+147,901]
Assistance to Territories .....	41	85,195	43	94,187	+2	+8,992
Compact of Free Association.....	0	17,318	0	3,054	0	-14,264
Office of the Solicitor .....	358	65,076	366	68,476	+8	+3,400
Office of Inspector General.....	287	48,590	288	49,471	+1	+881
Office of Special Trustee for American Indians .....	710	176,984	710	152,319	0	-24,665
Subtotal, Appropriations.....	1,917	511,999	2,593	651,177	+676	+139,178
<b>Permanents and Other</b>						
Take Pride in America .....	0	5	0	5	0	0
Indian Arts and Crafts Board .....	0	40	0	40	0	0
Geothermal Revenues, Payments to Counties.....	0	6,450	0	0	0	-6,450
Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes.....	0	2,130	0	2,337	0	+207
Mineral Leasing and Associated Payments.....	0	1,861,004	0	2,069,301	0	+208,297
Payments to Alaska from Oil and Gas Leases, NPRA.....	0	3,500	0	3,250	0	-250
National Forests Fund, Payment to States.....	0	7,329	0	7,825	0	+496
State Share from Certain Gulf of Mexico Leases ....	0	683	0	300	0	-383
Trust Land Consolidation Fund* .....	11	1,900,000	44	0	+33	-1,900,000
Payments to U.S. Territories, Fiscal Assistance.....	0	145,000	0	145,000	0	0
Compact of Free Association.....	0	203,361	0	232,133	0	+28,772
Tribal Special Funds.....	0	279,558	0	279,558	0	0
Tribal Trust Fund.....	0	77,769	0	77,769	0	0
Allocation Account - Office of the Secretary .....	74	0	74	0	0	0
Reimbursements - Office of the Secretary .....	289	0	289	0	0	0
Reimbursements - Office of the Solicitor .....	56	0	56	0	0	0
Subtotal, Other Accounts .....	430	4,486,829	463	2,817,518	+33	-1,669,311
<b>TOTAL, DEPARTMENTAL OFFICES.....</b>	<b>2,347</b>	<b>4,998,828</b>	<b>3,056</b>	<b>3,468,695</b>	<b>+709</b>	<b>-1,530,133</b>

\* The Cobell v. Salazar settlement establishes a \$1.9 billion fund for the voluntary buy-back and consolidation of fractionated land interests. In addition, as an added incentive to facilitate the purchase of fractionated land interests, up to \$60.0 million of the \$1.9 billion for land acquisition will be contributed to an existing, non-profit organization for the benefit of educating American Indians and Alaska Natives. Upon final approval by the U.S. District Court for the District of Columbia, the Cobell v. Salazar settlement agreement will be implemented.

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## HIGHLIGHTS OF BUDGET CHANGES

### By Appropriation Activity/Subactivity

#### APPROPRIATION: Office of the Secretary - Departmental Operations

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Leadership and Administration.....	95,776	95,776	129,418	+33,642
Transfer of ONRR General Admin.....	[0]	[0]	[28,292]	[+28,292]
Management Services.....	23,060	23,060	34,643	+11,583
Office of Natural Resources Revenue .....	0	0	119,609	+119,609
TOTAL APPROP. (w/o Oil Spill Supp. and Transfers) .....	118,836	118,836	283,670	+164,834
Oil Spill Supplemental .....	+29,000	0	0	0
Other Net Transfers.....	-9,206	0	0	0
TOTAL APPROP. (w/ Oil Spill Supp. and Transfers) ....	138,630	118,836	283,670	+164,834

#### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted/2011 CR</u>		2012 Change from <u>2010 Enacted/2011 CR</u>
TOTAL APPROPRIATION .....	+164,834		
Leadership and Administration.....	+33,642	Natural Resources Revenue.....	+119,609
Assistant Secretary – Insular Areas .....	+225	Realignment of ONRR from BOEMRE .....	+103,933
Program Evaluations .....	+250	Complete Transition from RIK to RIV.....	+5,542
Realignment of ONRR General Administration from BOEMRE .....	+18,168	Expand State and Tribal Audit Program.....	+921
ONRR Reorganization Implementation .....	+10,124	Enhance Audit, Oversight, and Enforcement Activities .....	+10,873
Fixed Costs.....	+5,835	Reorganization Efficiencies.....	-1,483
2011 Interior-wide and Bureau Management Efficiencies .....	-327	Fixed Costs.....	+423
2012 Administrative Cost Savings.....	-344	2011 Interior-wide and Bureau Management Efficiencies .....	-360
Program Reductions .....	-289	2012 Administrative Cost Savings.....	-240
Management Services.....	+11,583		
National Museum of Am. Latino Commission.....	-1,000		
Office of Valuation Services .....	+12,864		
Fixed Costs.....	-25		
Program Reductions .....	-256		

## APPROPRIATION: Assistance to Territories

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
American Samoa				
Operations Grants.....	22,752	22,752	22,752	0
Northern Marianas				
Covenant Grants (Mandatory).....	27,720	27,720	27,720	0
Territorial Assistance				
Office of Insular Affairs.....	9,280	9,280	9,480	+200
Technical Assistance .....	15,302	15,302	13,804	-1,498
Maintenance Assistance Fund.....	2,241	2,241	2,241	0
Brown Tree Snake.....	3,000	3,000	3,000	0
Insular Management Controls .....	0	0	0	0
Coral Reef Initiative .....	1,000	1,000	1,000	0
Water and Wastewater Projects.....	1,900	1,900	0	-1,900
Guam Infrastructure .....	2,000	2,000	0	-2,000
Empowering Insular Communities.....	0	0	4,120	+4,120
Subtotal, Territorial Assistance.....	34,723	34,723	33,645	-1,078
TOTAL APPROPRIATION .....	85,195	85,195	84,117	-1,078
Other Net Transfers.....	0	0	+10,070	+10,070
TOTAL APPROPRIATION (w/ Transfers) .....	85,195	85,195	94,187	+8,992

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>	
TOTAL APPROPRIATION .....	-1,078		
Territorial Assistance			
Office of Insular Affairs.....	+203	Empowering Insular Communities.....	+4,120
Technical Assistance .....	-1,498	Guam Military Buildup.....	+1,120
Guam Military Buildup.....	+1,720	Sustainable Energy Strategy .....	+3,000
Program Reduction.....	-2,018	Fixed Costs .....	+129
American Samoa Tsunami .....	-1,200	2011 Interior-wide and Bureau	
Water and Wastewater Projects.....	-1,693	Management Efficiencies .....	-253
Guam Infrastructure .....	-2,000	2012 Administrative Cost Savings.....	-86

## APPROPRIATION: Compact of Free Association

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Federal Services.....	2,818	2,818	2,818	0
Palau Program Grant Assistance .....	2,000	2,000	0	-2,000
Enewetak Support.....	500	500	236	-264
Palau Compact.....	12,000	12,000	0	-12,000
TOTAL APPROPRIATION .....	17,318	17,318	3,054	-14,264

## APPROPRIATION: Office of the Solicitor

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Legal Services .....	47,255	47,255	49,481	+2,226
General Administration .....	16,635	16,635	16,385	-250
Ethics .....	1,186	1,186	2,610	+1,424
TOTAL APPROPRIATION .....	65,076	65,076	68,476	+3,400

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted/2011 CR</u>	2012 Change from <u>2010 Enacted/2011 CR</u>
TOTAL APPROPRIATION .....	+3,400	
Legal Services .....	+2,226	
Retain High Performing Attorneys .....	+250	
Solicitor's Honors Program .....	+400	
Fixed Costs .....	+1,582	
2011 Interior-wide and Bureau Management Efficiencies .....	-6	
General Administration .....	-250	
Training Program .....	-62	
Space Reduction .....	-100	
Fixed Costs .....	+137	
2011 Interior-wide and Bureau Management Efficiencies .....	-225	
Ethics Office .....	+1,424	
Restructure and Enhance Ethics Office .....	+1,350	
Fixed Costs .....	+74	

## APPROPRIATION: Office of Inspector General

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Audits, Inspections, and Evaluations.....	21,333	21,333	21,432	+99
Investigations.....	17,533	17,533	17,771	+238
Management .....	9,724	9,724	10,268	+544
TOTAL APPROPRIATION .....	48,590	48,590	49,471	+881
Other Net Transfers.....	+200	0	0	0
TOTAL APPROPRIATION (w/ Transfers) .....	48,790	48,590	49,471	+881

### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted/2011 CR</u>	2012 Change from <u>2010 Enacted/2011 CR</u>
TOTAL APPROPRIATION .....	+881	
Office of Audits, Inspections, and Evaluations		
Fixed Costs .....	+99	
Office of Investigations.....	+238	
Energy Investigations Unit FTE.....	+117	
Fixed Costs .....	+121	
Office of Management .....		+544
Council on Inspectors General on Integrity and Efficiency .....	+455	
Office Closures .....	-150	
Fixed Costs .....	+612	
2011 Interior-wide and Bureau Management Efficiencies .....	-201	
2012 Administrative Cost Savings .....	-172	

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**APPROPRIATION: Office of the Special Trustee for American Indians**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Federal Trust Programs				
Executive Direction.....	2,256	2,256	2,216	-40
Program Operations and Support .....	174,728	174,728	150,103	-24,625
TOTAL APPROPRIATION .....	176,984	176,984	152,319	-24,665

*Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>	2012 Change from <u>2010 Enacted / 2011 CR</u>	
TOTAL APPROPRIATION .....	-24,665		
Executive Direction.....	-40	Field Operations.....	-655
Executive Direction.....	-7	Field Operations.....	-316
Fixed Costs.....	+23	Internal Transfer.....	+4
2011 Interior-wide and Bureau		Fixed Costs.....	+431
Management Efficiencies .....	-6	2011 Interior-wide and Bureau	
2012 Administrative Cost Savings.....	-50	Management Efficiencies .....	-27
Program Operations, Support and Improvements ....	-24,625	2012 Administrative Cost Savings.....	-747
Program Operations .....	-18,780	Office of Appraisal Services.....	-195
Information Resources .....	-353	Appraisal Services.....	-28
Office of Trust Records .....	-1,899	Fixed Costs .....	+110
Budget, Finance and Administration .....	+62	2011 Interior-wide and Bureau	
Office of External Affairs.....	-4	Management Efficiencies .....	-46
Office of Trust Review and Audit .....	-18	2012 Administrative Cost Savings .....	-231
Internal Transfer .....	-15,930	Trust Services .....	+15,368
Fixed Costs .....	+318	Trust Services .....	-316
2011 Interior-wide and Bureau		Internal Transfer .....	+16,000
Management Efficiencies .....	-237	Fixed Costs .....	+248
2012 Administrative Cost Savings.....	-719	2011 Interior-wide and Bureau	
Trust Accountability.....	-3,998	Management Efficiencies .....	-5
Trust Training.....	-4	2012 Administrative Cost Savings .....	-559
National Indian Program Training Center .....	-500	Historical Trust Accounting.....	-16,365
Trust Program Management Center.....	-3,150	Historical Trust Accounting.....	-16,021
Internal Transfer .....	-74	Fixed Costs .....	+8
Fixed Costs .....	+70	2011 Interior-wide and Bureau	
2011 Interior-wide and Bureau		Management Efficiencies .....	-2
Management Efficiencies .....	-9	2012 Administrative Cost Savings .....	-350
2012 Administrative Cost Savings.....	-331		



# DEPARTMENT-WIDE PROGRAMS

**Overview**—Department-wide programs support bureaus and offices through the execution of activities that are broad in scope and impact. These programs complement the many diverse activities of the Department of the Interior and help to achieve key strategic goals.

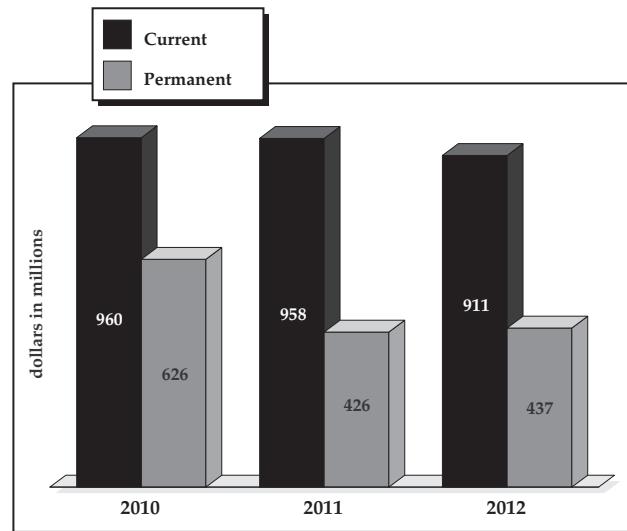
The Department's Wildland Fire Management program funds fire prevention, suppression, and rehabilitation activities performed by the land management agencies and the Bureau of Indian Affairs. The Payments in Lieu of Taxes program supports the activities and functions of the Department's land management bureaus by funding payments to local governments in jurisdictions where Federal lands are located. These payments assist local jurisdictions to offset costs incurred in association with maintaining infrastructure that supports Federal lands within their boundaries. Through the Central Hazardous Materials Fund, Interior remediates hazardous substances on Interior lands, working collaboratively with bureaus and offices to approach these activities in a consistent and coordinated fashion. The Natural Resource Damage Assessment and Restoration program coordinates the Department's restoration efforts for resources that are injured as a result of oil spills or hazardous substance releases where endangered species or migratory birds are impacted.

The Department's Working Capital Fund is a revolving fund that finances centralized administrative and business services in lieu of operating duplicative systems and processes in each bureau and office. The Working Capital Fund also provides the mechanism to collect funds for services that are provided to other Federal agencies in business areas such as payroll. The Department's Franchise Fund finances acquisition services that are provided to Interior customers and other Federal agencies.

## Wildland Fire Management

**Mission** — The goal of the Wildland Fire Management program is to achieve both a cost-efficient and a technically effective fire management program that meets resource and safety objectives, while minimizing both the cost of suppression and damage to resources.

## Department-wide Programs Funding



**Budget Overview** — The 2012 budget proposes a total of \$821.5 million to support the fire preparedness, suppression, fuels reduction, and burned area rehabilitation needs of the Department of the Interior. This represents a decrease of \$34.4 million from the 2010 Enacted / 2011 CR level.

The 2012 budget request fully funds the inflation-adjusted 10-year average of suppression expenditures of \$362.6 million, with the funding split between \$270.6 million in the regular suppression account and \$92.0 million in the FLAME Fund. Consistent with the FLAME Act, the regular suppression account will fund the initial attack and predictable firefighting costs, while the FLAME Fund will fund the costs of large catastrophic-type fires and also serve as a reserve when funds available in the regular suppression account are exhausted. The total request for the 10-year suppression average represents an increase of \$42.8 million above the 2010 Enacted / 2011 CR level for regular suppression and the FLAME Fund combined.

The budget request includes several program reductions from the 2010 Enacted / 2011 CR level, while maintaining

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the capacity for supporting core firefighter activities. A program reduction of \$44.6 million to the Hazardous Fuels Reduction program reflects the reorientation of the program to give priority to reducing the risk of wildfire to communities by increasing the proportion of fuels funding spent on treatments in the wildland-urban interface. The decrease applies to projects in the non-wildland-urban interface. A funding reduction of \$7.0 million discontinues the Rural Fire Assistance program, which is duplicative of other grant programs within the Departments of Homeland Security and Agriculture. Likewise, the budget proposes a \$1.2 million reduction in Preparedness to eliminate the ready reserve program. A \$3.7 million savings in Preparedness will be achieved through a slight reduction in training, deferral of certain equipment and supply replacement, and reductions in technical contract services. The budget also reduces project funding in the Burned Area Rehabilitation program by \$6.8 million.

**Fixed Costs** – Fixed costs of \$445,000 are funded.

**Administrative Cost Savings and Management Efficiencies** – The 2012 President's budget request includes reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment on fiscal discipline and spending restraint. In accordance with this initiative, the Wildland Fire Management program budget includes \$9.7 million in savings in 2012 against actual 2010 expenditures in the following activities: \$2.5 million for travel and transportation of persons, \$1.1 million for transportation of things, \$147,000 for printing and reproduction, \$2.0 million for advisory and assistance services, and \$4.0 million for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$4.5 million in travel and relocation, information technology, and strategic sourcing.

#### **Central Hazardous Materials Fund**

**Mission** – The mission of the Central Hazardous Materials Fund is to protect the public health and ensure the safety of those who use Interior's lands and facilities; conduct hazardous materials cleanup activities and the subsequent maintenance and monitoring of the remedial actions in a manner consistent with the National Contingency Plan and with bureau land use and management plan objectives; and pursue aggressive cost recovery and cost-sharing actions with the parties responsible for contaminating Federal lands.

**Budget Overview** – The 2012 budget request for the Central Hazardous Materials Fund is \$10.1 million, a decrease of \$26,000 from the 2010 Enacted / 2011 CR level. The Central Hazardous Materials Fund continues to focus on those contaminated sites that pose the highest risks to employees, public health and welfare, and the environment; and typically, are so costly and complex to clean up that they cannot adequately be addressed using available bureau resources. In 2012, cleanup work at approximately 34 different sites is anticipated to be funded. Many of these sites are the result of past industrial or mining practices by either current or previous owners. Some of the larger sites include the Crab Orchard National Wildlife Refuge, Illinois; Valley Forge National Historic Park, Pennsylvania; Red Devil Mine, Alaska; Phosphate Mines, Idaho; and Orphan Mine, Grand Canyon National Park, Arizona. The program will continue to seek the participation of the current or previous owners to minimize the cleanup cost borne by the American taxpayer. Working with legal advisors, the Central Hazardous Materials Fund will aggressively pursue cost avoidance or cost recoveries at sites with viable potentially responsible parties. The program will also monitor performance and compliance to ensure that cleanup funds are being used for their intended purpose through internal control reviews. Completion of nine internal control reviews in 2012 is anticipated. The program will also seek opportunities or benchmark efficiencies to reduce the cost of cleanup across the Department.

**Fixed Costs** – Fixed costs of \$83,000 are funded.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes efficiency efforts proposed in 2011 totaling \$108,000 in travel, relocation, and strategic sourcing.

#### **Natural Resource Damage Assessment and Restoration**

**Mission** – The mission of the Natural Resource Damage Assessment and Restoration program is to restore natural resources injured as a result of oil spills or hazardous substance releases into the environment. In partnership with other affected State, tribal, and Federal trustee agencies, damage assessments provide the basis for determining the restoration needs that address the public's loss of these resources.

**Budget Overview** – The 2012 request for NRDAR is \$6.3 million, a decrease of \$199,000 from the 2010 Enacted / 2011 CR level. The \$6.3 million request includes \$3.7 million for damage assessment projects, \$614,000 for restoration

support, and \$1.9 million for program management. In addition, \$60.0 million is anticipated from receipts to be recovered in settled damage assessment cases and earned interest in 2012. Pursuant to statutory requirements, the receipts are used exclusively by trustees to restore injured lands and resources or reimburse past assessment costs. The balance of the NRDAR Fund, as of December 2010, was over \$455 million, which will support restoration planning and implementation underway in various stages at hundreds of sites nationwide. In 2012, the program will continue partnership efforts with Federal, State, and tribal co-trustees to restore injured lands and resources. This includes work in the Gulf of Mexico, where the Department of the Interior is working with the Department of Commerce through the National Oceanic and Atmospheric Administration; the States of Louisiana, Mississippi, Alabama, Florida, and Texas; and the Department of Defense. In the wake of the Deepwater Horizon oil spill, the Department and its co-trustees are working to develop a comprehensive natural resource damage assessment identifying the injuries to natural resources and develop a restoration plan that will restore the region's natural resources to their pre-spill condition.

**Fixed Costs** – Fixed costs of \$79,000 are funded.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request includes \$86,000 in reductions that reflect the Accountable Government Initiative to curb non-essential administrative spending in support of the President's commitment to fiscal discipline and spending restraint. In accordance with this initiative, Department-wide's budget includes \$86,000 in savings in 2012 against actual 2010 expenditures in the following activities: \$65,000 for travel and transportation of persons, \$1,000 for transportation of things, \$2,000 for printing and reproduction, \$10,000 for advisory and assistance services, and \$8,000 for supplies and materials. Actions to address the Accountable Government Initiative and reduce these expenses build upon management efficiency efforts proposed in 2011 totaling \$119,000 in travel and relocation, information technology, and strategic sourcing.

### Working Capital Fund

**Mission** – The Department's Working Capital Fund provides centralized services and systems to Interior bureaus and offices and to other customers.

**Budget Overview** – The 2012 budget proposes \$73.1 million for the appropriated portion of the Department's Working Capital Fund, a decrease of \$12.7 million from the 2010 Enacted/2011 CR level. Of this amount, \$58.1

million is included to continue the deployment of the Financial and Business Management System, a decrease of \$22.3 million from the 2010 Enacted/2011 CR level. The FBMS has been deployed to the Bureau of Ocean Energy Management, Regulation and Enforcement, Office of Surface Mining, Bureau of Land Management, and U.S. Geological Survey. Deployment is scheduled for Departmental Offices and the Fish and Wildlife Service by late 2011. The 2012 funding will complete the deployment of FBMS to the Bureau of Indian Affairs and National Park Service and initiate deployment for the Bureau of Reclamation.

The request includes \$5.0 million to implement significant changes in the Department's approach to information technology infrastructure management maintaining Interior's 2011 commitment to reduce information technology expenditures. In the future, this transformation will reduce costs as a result of consolidation, but also from redirection of technology staff to other duties, reduced rented office space, and other overhead costs. The Federal Chief Information Officer has approved this long-term savings plan and has agreed to provide the Department near-term flexibility to conduct necessary planning, develop tools and mechanisms, and implement policies and procedures to realize the transformation.

An increase of \$5.0 million is also included to strengthen the Department's acquisition workforce and capabilities. These funds would be available for training, recruitment, retention and hiring members of the acquisition workforce. This will address skill gaps in acquisition staffing and pursue options to maximize the effectiveness of an expanded strategic sourcing strategy. The Department is identifying strategic sourcing centers of excellence with specialists in certain types of procurement, strategically located to implement master contracts. Looking forward, the Department's administrative savings strategy provides opportunities for consolidation of services, facilities, and infrastructure. Interior is taking a corporate approach to identify operating efficiencies and achieve savings. The budget includes an additional \$5.0 million to identify and implement opportunities to leverage assets across the Department through consolidation or shared services to reduce future costs and accomplish Interior's mission more effectively.

In 2012, estimated collections into the WCF total \$193.9 million for centralized billing and \$370.1 million for direct billed activities.

**Fixed Costs** – There are no fixed costs requested for funds appropriated to the Working Capital Fund.

**Administrative Cost Savings and Management Efficiencies** – The 2012 budget request builds upon reductions taken in 2011 totaling \$1.2 million for travel and relocation, information technology, and strategic sourcing.

### Payments in Lieu of Taxes

**Mission** – The Payments in Lieu of Taxes program makes payments to counties to help offset the costs of services and infrastructure incurred by local jurisdictions where certain Federal lands are located. The 2012 budget continues this activity as a mandatory program in accordance with the Emergency Economic Stabilization Act of 2008.

**Budget Overview** – Since the inception of the PILT program in 1977 and through 2007, PILT funding had been subject to appropriation. The Emergency Economic Stabilization Act of 2008 converted PILT to a mandatory classification, and authorized the program through 2012. In 2010, payments of \$358.1 million were made to counties, which were funded from the mandatory appropriation at the full entitlement level of \$358.5 million. The remaining \$400,000 covered administrative costs which are authorized to be funded from the mandatory appropriation. The 2011 PILT payment amounts for local jurisdictions will be formulated with a scheduled payment to be made in June 2011.

## SUMMARY OF BUREAU APPROPRIATIONS (all dollar amounts in thousands)

*Comparison of 2012 Request with 2010 Enacted/2011 CR*

		2010 Enacted / 2011 CR FTE	Amount	2012 Request FTE	Amount	Change FTE	Amount
<b>Appropriations</b>							
Wildland Fire Management ( <i>FTE DWP only</i> ).....	13	794,897		13	729,521	0	-65,376
FLAME Wildfire Suppression Reserve Fund.....	0	61,000		0	92,000	0	+31,000
Central Hazardous Materials Fund.....	5	10,175		5	10,149	0	-26
Natural Resource Damage Assessment .....	10	6,462		10	6,263	0	-199
Working Capital Fund.....	19	85,823		34	73,119	+15	-12,704
Subtotal, Appropriations.....	47	958,357		62	911,052	+15	-47,305
<b>Permanents and Other</b>							
Payments in Lieu of Taxes .....	1	369,233		1	380,310	0	+11,077
Natural Resource Damage Assessment .....	0	57,000		0	57,000	0	0
Working Capital Fund .....	1,287	0		1,262	0	-25	0
Interior Franchise Fund.....	111	0		111	0	0	0
Subtotal, Permanents and Other.....	1,399	426,233		1,374	437,310	-25	+11,077
<b>TOTAL, DEPARTMENT-WIDE PROGRAMS .....</b>	<b>1,446</b>	<b>1,384,590</b>		<b>1,436</b>	<b>1,348,362</b>	<b>-10</b>	<b>-36,228</b>

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## **HIGHLIGHTS OF BUDGET CHANGES**

### By Appropriation Activity/Subactivity

#### **APPROPRIATION: Wildland Fire Management**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Preparedness.....	290,452	290,452	276,964	-13,488
Suppression Operations .....	258,797	258,797	270,611	+11,814
Other Operations				
Hazardous Fuels Reduction .....	206,206	206,206	156,763	-49,443
Burned Area Rehabilitation .....	20,305	20,305	13,046	-7,259
Fire Facilities .....	6,137	6,137	6,137	0
Joint Fire Science .....	6,000	6,000	6,000	0
Rural Fire Assistance .....	7,000	7,000	0	-7,000
Subtotal, Other Operations.....	245,648	245,648	181,946	-63,702
TOTAL APPROPRIATION .....	794,897	794,897	729,521	-65,376
Net Transfers.....	+2,067	0	0	0
TOTAL APPROPRIATION (with transfers) .....	796,964	794,897	729,521	-65,376

#### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted / 2011 CR</u>		2012 Change from <u>2010 Enacted / 2011 CR</u>
TOTAL APPROPRIATION .....	-65,376		
Preparedness.....	-13,488	Hazardous Fuels Reduction ( <i>continued</i> )	
Reduce Base Funding .....	-3,720	2011 Interior-wide and Bureau	
Eliminate Ready Reserve Program .....	-1,249	Management Efficiencies .....	-1,510
Fixed Costs .....	+305	2012 Administrative Cost Savings .....	-3,438
2011 Interior-wide and Bureau		Burned Area Rehabilitation .....	-7,259
Management Efficiencies .....	-2,804	Reduce Base Funding .....	-6,752
2012 Administrative Cost Savings .....	-6,020	Fixed Costs .....	+5
Suppression Operations		2011 Interior-wide and Bureau	
10-Year Suppression Average Adjustment .....	+11,814	Management Efficiencies .....	-233
Hazardous Fuels Reduction .....	-49,443	2012 Administrative Cost Savings .....	-279
Reduce Base Funding .....	-44,630	Rural Fire Assistance	
Fixed Costs .....	+135	Eliminate RFA Program.....	-7,000

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**APPROPRIATION: FLAME Wildfire Suppression Reserve Fund**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	61,000	61,000	92,000	+31,000

*Detail of Budget Changes*

2012 Change from  
2010 Enacted/2011 CR  
TOTAL APPROPRIATION .....+31,000

FLAME Wildfire Suppression Reserve Fund  
10-Year Suppression Average Adjustment ..... +31,000

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**APPROPRIATION: Central Hazardous Materials Fund**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
TOTAL APPROPRIATION .....	10,175	10,175	10,149	-26

*Detail of Budget Changes*

2012 Change from  
2010 Enacted/2011 CR  
TOTAL APPROPRIATION .....-26

Central Hazardous Materials Fund  
Fixed Costs .....+83  
2011 Interior-wide and Bureau  
Management Efficiencies .....-108  
Unspecified Reductions .....-1

TOTAL APPROPRIATION ..... -199

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### **APPROPRIATION: Natural Resource Damage Assessment and Restoration Fund**

	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
Damage Assessments .....	4,022	4,022	3,743	-279
Restoration Support.....	615	615	614	-1
Program Management.....	1,825	1,825	1,906	+81
<b>TOTAL APPROPRIATION .....</b>	<b>6,462</b>	<b>6,462</b>	<b>6,263</b>	<b>-199</b>

#### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted/2011 CR</u>	2012 Change from <u>2010 Enacted/2011 CR</u>
Damage Assessments .....	-279	
Fixed Costs.....	+12	
Internal Transfer .....	-75	Internal Transfer .....
Program Adjustments.....	-73	2011 Interior-wide and Bureau
2011 Interior-wide and Bureau		Management Efficiencies .....
Management Efficiencies .....	-100	-16
2012 Administrative Cost Savings.....	-43	2012 Administrative Cost Savings.....
		-38
Restoration Support.....	-1	<b>TOTAL APPROPRIATION .....</b>
Fixed Costs.....	+7	<b>-12,704</b>
2011 Interior-wide and Bureau		
Management Efficiencies .....	-3	
2012 Administrative Cost Savings.....	-5	
Program Management.....	+81	
Fixed Costs.....	+60	

### **APPROPRIATION: Working Capital Fund**

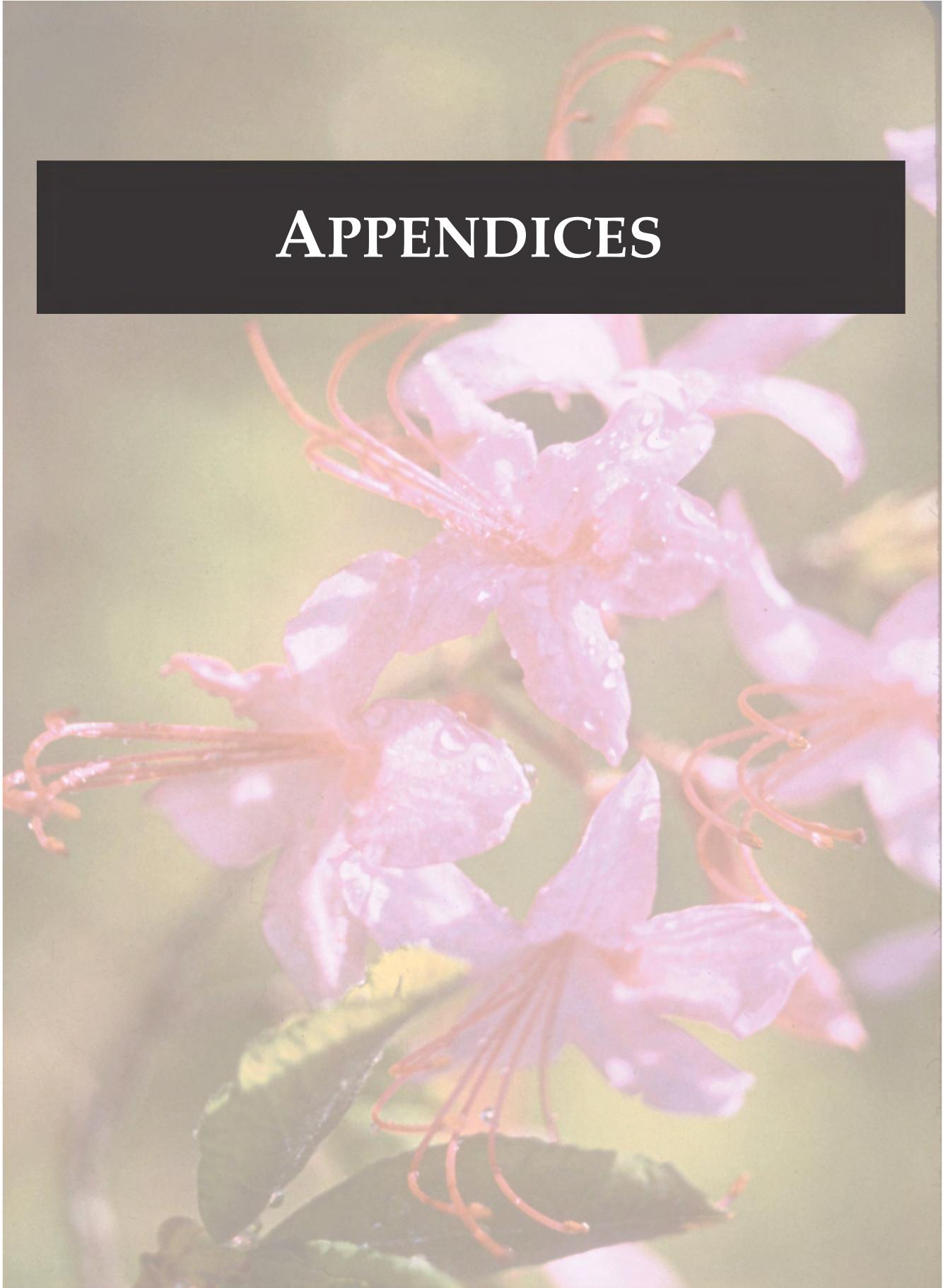
	2010 Actual	2010 Enacted / 2011 CR	2012 Request	Net Change
<b>TOTAL APPROPRIATION .....</b>	<b>85,823</b>	<b>85,823</b>	<b>73,119</b>	<b>-12,704</b>

#### *Detail of Budget Changes*

	2012 Change from <u>2010 Enacted/2011 CR</u>
Working Capital Fund	
Financial Business Management System.....	-21,110
Department-wide Information Technology Enhancements.....	-396
Department-wide Acquisition Improvement .....	+5,000
Operating Efficiencies.....	+5,000
2011 Interior-wide and Bureau	
Management Efficiencies .....	-1,198



# APPENDICES





## APPENDIX A

### COMPARISON OF 2010, 2011, AND 2012

#### BUDGET AUTHORITY\*

(in thousands of dollars)

Appropriation/ Bureau/Account	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>INTERIOR, ENVIRONMENT, AND RELATED AGENCIES</b>				
<b>BUREAU OF LAND MANAGEMENT</b>				
<i>Current Appropriations</i>				
Management of Lands and Resources .....	977,929	959,571	933,779	-25,792
Rescissions of prior BA.....	-1,000	0	0	0
Account total ( <i>w/ rescissions</i> ) .....	976,929	959,571	933,779	-25,792
Other net transfers .....	-53	0	0	0
Account total ( <i>w/ rescissions and transfers</i> ) .....	976,876	959,571	933,779	-25,792
Construction .....	8,626	8,626	3,576	-5,050
Oregon and California Grant Lands.....	111,557	111,557	112,043	+486
Land Acquisition.....	29,650	29,650	50,000	+20,350
Service Charges, Deposits, and Forfeitures.....	28,101	27,725	32,125	+4,400
Service Charges, Deposits, and Forfeitures Offset .....	-28,101	-27,725	-32,125	-4,400
Range Improvements .....	10,000	10,000	10,000	0
Miscellaneous Trust Funds .....	31,999	21,700	19,700	-2,000
Subtotal, current appropriations.....	1,169,761	1,141,104	1,129,098	-12,006
Rescissions of prior year BA.....	-1,000	0	0	0
Subtotal, current appropriations ( <i>w/ rescissions</i> ) .....	1,168,761	1,141,104	1,129,098	-12,006
Other net transfers .....	-53	0	0	0
Subtotal, current appropriations ( <i>w/ rescissions and transfers</i> ) .....	1,168,708	1,141,104	1,129,098	-12,006
Budget authority .....	[1,169,761]	[1,141,104]	[1,129,098]	[-12,006]
Rescissions of prior BA.....	[-1,000]	[0]	[0]	[0]
Net transfers.....	[-53]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Permanent Operating Funds.....	64,638	57,028	56,264	-764
Miscellaneous Permanent Payments.....	100,281	89,489	44,538	-44,951
Miscellaneous Trust Funds .....	1,109	1,800	1,800	0
Subtotal, permanent appropriations .....	166,028	148,317	102,602	-45,715
<b>Total, Land Management</b> .....	<b>1,335,789</b>	<b>1,289,421</b>	<b>1,231,700</b>	<b>-57,721</b>
Rescissions of prior year BA .....	-1,000	0	0	0
Other net transfers .....	-53	0	0	0
<b>Total, Land Management</b> ( <i>w/ rescissions and transfers</i> ) .....	<b>1,334,736</b>	<b>1,289,421</b>	<b>1,231,700</b>	<b>-57,721</b>
Budget authority .....	[1,335,789]	[1,289,421]	[1,231,700]	[-57,721]
Rescissions of prior year BA .....	[-1,000]	[0]	[0]	[0]
Net transfers.....	[-53]	[0]	[0]	[0]

\* Notes explaining the scoring assumptions for this table are found beginning on page A-13.

## APPENDIX A

### COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT</b>				
<i>Current Appropriations</i>				
Ocean Energy Management .....	175,217	200,110	118,265	-81,845
Rescissions of prior year BA .....	0	-25,000	0	+25,000
Account total ( <i>w/ rescissions</i> ) .....	175,217	175,110	118,265	-56,845
Other net transfers .....	+8,506	0	0	0
Account total ( <i>w/ rescissions and transfers</i> ) .....	183,723	175,110	118,265	-56,845
Oil Spill Research .....	6,303	6,303	14,923	+8,620
Subtotal, current appropriations.....	181,520	206,413	133,188	-73,225
Rescissions of prior year BA .....	0	-25,000	0	+25,000
Subtotal, current appropriations ( <i>w/ rescissions</i> ) .....	181,520	181,413	133,188	-48,225
Other net transfers .....	+8,506	0	0	0
Subtotal, current appropriations ( <i>w/ rescissions and transfers</i> ) .....	190,026	181,413	133,188	-48,225
Budget authority .....	[181,520]	[206,413]	[133,188]	[-73,225]
Rescissions of prior year BA .....	[0]	[-25,000]	[0]	[0]
Net transfers.....	[+8,506]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Coastal Impact Assistance Program .....	250,000	0	0	0
Subtotal, permanent appropriations .....	250,000	0	0	0
<b>Total, Ocean Energy Management, Regulation and Enforcement</b>				
<b>    <b>Enforcement</b></b> .....	<b>431,520</b>	<b>206,413</b>	<b>133,188</b>	<b>-73,225</b>
Rescissions of prior year BA .....	[0]	[-25,000]	[0]	[+25,000]
Other net transfers .....	+8,506	0	0	0
<b>    <b>Total, Ocean Energy Management, Regulation and Enforcement (w/ rescissions and transfers)</b></b> .....	<b>440,026</b>	<b>181,413</b>	<b>133,188</b>	<b>-48,225</b>
Budget authority .....	[431,520]	[206,413]	[133,188]	[-73,225]
Rescissions of prior year BA .....	[0]	[-25,000]	[0]	[+25,000]
Net transfers.....	[+8,506]	[0]	[0]	[0]
<b>OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT</b>				
<i>Current Appropriations</i>				
Regulation and Technology .....	127,382	127,280	118,469	-8,811
Abandoned Mine Reclamation Fund.....	35,588	35,588	27,443	-8,145
Subtotal, current appropriations.....	162,970	162,868	145,912	-16,956
Budget authority .....	[162,970]	[162,868]	[145,912]	[-16,956]
<i>Permanent Appropriations</i>				
Payments to United Mine Workers Association Health Plans (AML) .....	63,926	57,246	64,062	+6,816
Supplemental Payments to UMWA Health Plans (General fund).....	108,773	216,064	161,191	-54,873

**COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY**  
 (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>OSM (continued)</b>				
Payments to States in Lieu of Coal Fee Receipts (Treasury) .	227,171	245,500	85,400	-160,100
Mandatory Grants to States and Tribes (AML) .....	141,914	150,133	228,400	+78,267
Subtotal, permanent appropriations .....	541,784	668,943	539,053	-129,890
<b>Total, Surface Mining</b> .....	<b>704,754</b>	<b>831,811</b>	<b>684,965</b>	<b>-146,846</b>
Budget authority .....	[704,754]	[831,811]	[684,965]	[-146,846]

**U.S. GEOLOGICAL SURVEY**

*Current Appropriations*

Surveys, Investigations, and Research.....	1,111,740	1,111,740	1,018,037	-93,703
Other net transfers .....	+500	0	0	0
Account total ( <i>w/ transfers</i> ).....	1,112,240	1,111,740	1,018,037	-93,703
National Land Imaging .....	0	0	99,817	+99,817
Subtotal, current appropriations.....	1,111,740	1,111,740	1,117,854	+6,114
Other net transfers .....	+500	0	0	0
Subtotal, current appropriations ( <i>w/ transfers</i> ).....	1,112,240	1,111,740	1,117,854	+6,114
Budget authority .....	[1,111,740]	[1,111,740]	[1,117,854]	[+6,114]
Net transfers.....	[+500]	[0]	[0]	[0]

*Permanent Appropriations*

Operations and Maintenance of Quarters .....	72	67	83	+16
Contributed Funds.....	1,898	1,247	1,279	+32
Subtotal, permanent appropriations .....	1,970	1,314	1,362	+48
<b>Total, Geological Survey</b> .....	<b>1,113,710</b>	<b>1,113,054</b>	<b>1,119,216</b>	<b>+6,162</b>
Other net transfers .....	+500	0	0	0
<b>Total, Geological Survey (<i>w/ transfers</i>)</b> .....	<b>1,114,210</b>	<b>1,113,054</b>	<b>1,119,216</b>	<b>+6,162</b>
Budget authority .....	[1,113,710]	[1,113,054]	[1,119,216]	[+6,162]
Net transfers.....	[+500]	[0]	[0]	[0]

**FISH AND WILDLIFE SERVICE**

*Current Appropriations*

Resource Management .....	1,269,406	1,269,406	1,271,867	+2,461
Other net transfers .....	+4,000	0	0	0
Account total ( <i>w/ transfers</i> ).....	1,273,406	1,269,406	1,271,867	+2,461
Construction .....	37,439	37,439	23,088	-14,351
Rescission of prior year BA.....	-3,000	0	0	0
Account total ( <i>w/ rescissions</i> ) .....	34,439	37,439	23,088	-14,351
Land Acquisition .....	86,340	86,340	140,000	+53,660
Multinational Species Conservation Fund .....	11,500	11,500	9,750	-1,750

## APPENDIX A

### COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>FWS (continued)</b>				
North American Wetlands Conservation Fund.....	47,647	47,647	50,000	+2,353
Coop. Endangered Species Conservation Fund .....	85,000	85,000	100,000	+15,000
National Wildlife Refuge Fund .....	14,500	14,500	0	-14,500
Neotropical Migratory Bird Conservation .....	5,000	5,000	5,000	0
State and Tribal Wildlife Grants.....	90,000	90,000	95,000	+5,000
Subtotal, current appropriations.....	1,646,832	1,646,832	1,694,705	+47,873
Rescission of prior year BA.....	-3,000	0	0	0
Subtotal, current appropriations ( <i>w/ rescissions</i> ) .....	1,643,832	1,646,832	1,694,705	+47,873
Other net transfers .....	+4,000	0	0	0
Subtotal, current appropriations ( <i>w/ rescissions and transfers</i> ) .....	1,647,832	1,646,832	1,694,705	+47,873
Budget authority .....	[1,646,832]	[1,646,832]	[1,694,705]	[+47,873]
Rescissions of prior year BA .....	[-3,000]	[0]	[0]	[0]
Net transfers.....	[+4,000]	[0]	[0]	[0]
<b>Permanent Appropriations</b>				
Sport Fish Restoration .....	691,288	650,322	667,098	+16,776
Net transfers.....	-213,505	-200,089	-205,279	-5,190
Account total.....	477,783	450,233	461,819	+11,586
Migratory Bird Conservation Account .....	51,141	44,000	58,000	+14,000
North American Wetlands Conservation Fund.....	5,834	689	1,000	+311
National Wildlife Refuge Fund .....	4,795	6,000	6,000	0
Miscellaneous Permanent Appropriations.....	3,908	4,495	4,495	0
Federal Lands Recreation Enhancement Act .....	4,842	4,800	4,800	0
Federal Aid in Wildlife Restoration.....	500,709	411,833	402,732	-9,101
Contributed Funds.....	4,401	4,300	4,300	0
Coop. Endangered Species Conservation Fund .....	58,952	53,714	53,960	+246
Subtotal, permanent appropriations .....	1,112,365	980,064	997,106	+17,042
Budget authority .....	[1,325,870]	[1,180,153]	[1,202,385]	[+22,232]
Net transfers.....	[-213,505]	[-200,089]	[-205,279]	[-5,190]
<b>Total, Fish and Wildlife.....</b>	<b>2,759,197</b>	<b>2,626,896</b>	<b>2,691,811</b>	<b>+64,915</b>
Rescissions of prior year BA .....	-3,000	0	0	0
Other net transfers .....	+4,000	0	0	0
<b>Total, Fish and Wildlife (<i>w/ rescissions and transfers</i>) .....</b>	<b>2,760,197</b>	<b>2,626,896</b>	<b>2,691,811</b>	<b>+64,915</b>
Budget authority .....	[2,972,702]	[2,826,985]	[2,897,090]	[+70,105]
Rescission of prior year BA.....	[-3,000]	[0]	[0]	[0]
Net transfers.....	[-209,505]	[-200,089]	[-205,279]	[-5,190]
<b>NATIONAL PARK SERVICE</b>				
<i>Current Appropriations</i>				
Operation of the National Park System.....	2,261,559	2,261,559	2,296,877	+35,318
Other net transfers .....	+221	0	0	0
Account total ( <i>w/ transfers</i> ).....	2,261,780	2,261,559	2,296,877	+35,318

**COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY**  
 (in thousands of dollars)

<b>Appropriation/ Bureau/Account</b>	<b>2010 Actual</b>	<b>2010 Enacted/ 2011 CR</b>	<b>2012 Request</b>	<b>Change</b>
<b>NPS (continued)</b>				
Park Partnership Projects Grants.....	5,000	5,000	0	-5,000
Mandated Interior transfers .....	+10,000	+10,000	0	-10,000
Account total ( <i>w/ transfers</i> ).....	15,000	15,000	0	-15,000
National Recreation and Preservation .....	68,436	68,436	51,567	-16,869
Construction .....	232,969	232,969	152,121	-80,848
North Shore Road in Defense Appropriation .....	+6,800	0	0	0
Account total ( <i>w/ North Shore Road Defense Appropriation</i> ).....	239,769	232,969	152,121	-80,848
Rescissions of prior year BA .....	-11,200	0	0	0
Other net transfers .....	+5,579	0	0	0
Account total ( <i>w/ Defense Appropriation, rescissions and transfers</i> ).....	234,148	232,969	152,121	-80,848
Rescission of contract authority (LWCF) .....	-30,000	-30,000	-30,000	0
Land Acquisition and State Assistance .....	126,266	126,266	360,000	+233,734
Historic Preservation Grants-in-Aid Fund.....	79,500	79,500	61,000	-18,500
Subtotal, current appropriations.....	2,753,730	2,753,730	2,891,565	+137,835
North Shore Road in Defense Appropriation .....	+6,800	0	0	0
Subtotal, current appropriations ( <i>w/ Defense Appropriation</i> ) .....	2,760,530	2,753,730	2,891,565	+137,835
Rescissions of prior year BA .....	-11,200	0	0	0
Other net transfers.....	+5,800	0	0	0
Subtotal, current appropriations <i>(w/ Defense Appropriation, rescissions and transfers)</i> .....	2,755,130	2,753,730	2,891,565	+137,835
Budget authority .....	[2,773,730]	[2,773,730]	[2,921,565]	[+147,835]
North Shore Road in Defense Appropriation .....	[+6,800]	[0]	[0]	[0]
Rescissions of prior year BA .....	[-11,200]	[0]	[0]	[0]
Net transfers.....	[+15,800]	[+10,000]	[0]	[-10,000]
Rescission of contract authority .....	[-30,000]	[-30,000]	[-30,000]	[0]
<b>Permanent Appropriations</b>				
Federal Lands Recreation Enhancement Act .....	174,780	172,306	183,513	+11,207
Other Permanent Appropriations.....	161,402	152,288	150,841	-1,447
Stateside LWCF Grants from OCS revenues.....	910	228	100	-128
Miscellaneous Trust Funds .....	40,415	41,004	30,004	-11,000
Land and Water Conservation Fund Contract Authority .....	30,000	30,000	30,000	0
Subtotal, permanent appropriations .....	407,507	395,826	394,458	-1,368
<b>Total, Park Service</b> .....	<b>3,161,237</b>	<b>3,149,556</b>	<b>3,286,023</b>	<b>+136,467</b>
North Shore Road in Defense Appropriation .....	+6,800	0	0	0
Rescissions of prior year BA .....	-11,200	0	0	0
Other net transfers .....	+5,800	0	0	0
<b>Total, Park Service (<i>w/ Defense Appropriation, rescissions and transfers</i>)</b> .....	<b>3,162,637</b>	<b>3,149,556</b>	<b>3,286,023</b>	<b>+136,467</b>
Budget authority .....	[3,191,237]	[3,179,556]	[3,316,023]	[+136,467]
North Shore Road in Defense Appropriation .....	[+6,800]	[0]	[0]	[0]
Rescissions of prior year BA .....	[-11,200]	[0]	[0]	[0]
Net transfers.....	[+5,800]	[0]	[0]	[0]
Rescission of contract authority .....	[-30,000]	[-30,000]	[-30,000]	[0]

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### COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>BUREAU OF INDIAN AFFAIRS</b>				
<i>Current Appropriations</i>				
Operation of Indian Programs .....	2,335,965	2,335,965	2,359,692	+23,727
Construction .....	225,000	225,000	104,992	-120,008
Indian Land and Water Claims and Settlements and Miscellaneous Payments to Indians .....	47,380	47,380	32,855	-14,525
Indian Guaranteed Loan Program Account.....	8,215	8,215	3,114	-5,101
Rescissions of prior year BA .....	-6,820	0	0	0
Account total ( <i>w/ rescissions</i> ) .....	1,395	8,215	3,114	-5,101
Indian Land Consolidation.....	3,000	3,000	0	-3,000
Subtotal, current appropriations.....	2,619,560	2,619,560	2,500,653	-118,907
Rescissions of prior year BA .....	-6,820	0	0	0
Subtotal, current appropriations ( <i>w/ rescissions</i> ) .....	2,612,740	2,619,560	2,500,653	-118,907
Budget authority .....	[2,619,560]	[2,619,560]	[2,500,653]	[-118,907]
Rescissions of prior year BA .....	[-6,820]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Operation and Maintenance of Quarters.....	5,668	5,650	5,533	-117
Gifts and Donations .....	9	100	100	0
Miscellaneous Permanent Appropriations.....	97,662	95,497	98,691	+3,194
White Earth Settlement Fund .....	2,523	2,500	2,500	0
Indian Loan Guaranty and Insurance Fund,				
Liquidating Account .....	-111	-100	-80	+20
Indian Direct Loan Program Account .....	691	2,690	0	-2,690
Indian Guaranteed Loan Program Account .....	17,791	6,068	0	-6,068
Revolving Fund for Loans, Liquidating Account.....	-5,101	-875	-750	+125
Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians .....	0	207,176	0	-207,176
Subtotal, permanent appropriations .....	119,132	318,706	105,994	-212,712
<b>Total, Indian Affairs .....</b>	<b>2,738,692</b>	<b>2,938,266</b>	<b>2,606,647</b>	<b>-331,619</b>
Rescissions of prior year BA .....	-6,820	0	0	0
<b>Total, Indian Affairs (<i>w/ rescissions</i>) .....</b>	<b>2,731,872</b>	<b>2,938,266</b>	<b>2,606,647</b>	<b>-331,619</b>
Budget authority .....	[2,738,692]	[2,938,266]	[2,606,647]	[-331,619]
Rescissions of prior year BA .....	[-6,820]	[0]	[0]	[0]

**COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY**  
 (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>DEPARTMENTAL OFFICES</b>				
<b>OFFICE OF THE SECRETARY</b>				
<i>Current Appropriations</i>				
Office of the Secretary - Departmental Operations .....	118,836	118,836	283,670	+164,834
Supplements .....	+29,000	0	0	0
Account total ( <i>w/ supplements</i> ) .....	147,836	118,836	283,670	+164,834
Other net transfers .....	-9,206	0	0	0
Account total ( <i>w/ supplements and transfers</i> ) .....	138,630	118,836	283,670	+164,834
Subtotal, current appropriations .....	138,630	118,836	283,670	+164,834
Budget authority .....	[118,836]	[118,836]	[283,670]	[+164,834]
Supplements .....	[+29,000]	[0]	[0]	[0]
Net transfers .....	[-9,206]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Mineral Leasing and Associated Payments .....	1,723,234	1,861,004	2,069,301	+208,297
Payments to Alaska from Oil and Gas leases, NPRA .....	19,638	3,500	3,250	-250
Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes .....	25,122	2,130	2,337	+207
Geothermal Lease Revenues, Payment to Counties .....	7,000	6,450	0	-6,450
Trust Land Consolidation Fund .....	0	1,900,000	0	-1,900,000
National Forests Fund, Payment to States .....	18,234	7,329	7,825	+496
State Share from Certain Gulf of Mexico Leases .....	2,730	683	300	-383
Indian Arts and Crafts Board .....	32	40	40	0
Take Pride in America .....	4	5	5	0
Subtotal, permanent appropriations .....	1,795,994	3,781,141	2,083,058	-1,698,083
<b>Total, Office of the Secretary</b> .....	<b>1,934,624</b>	<b>3,899,977</b>	<b>2,366,728</b>	<b>-1,533,249</b>
Budget authority .....	[1,914,830]	[3,899,977]	[2,366,728]	[-1,533,249]
Supplements .....	[+29,000]	[0]	[0]	[0]
Net transfers .....	[-9,206]	[0]	[0]	[0]
<b>INSULAR AFFAIRS</b>				
<i>Current Appropriations</i>				
Assistance to Territories .....	85,195	85,195	84,117	-1,078
Other net transfers .....	0	0	+10,070	+10,070
Account total ( <i>w/ transfers</i> ) .....	85,195	85,195	94,187	+8,992
Compact of Free Association .....	17,318	17,318	3,054	-14,264
Subtotal, current appropriations ( <i>w/ transfers</i> ) .....	102,513	102,513	97,241	-5,272
Budget authority .....	[102,513]	[102,513]	[87,171]	[-15,342]
Net transfers .....	[0]	[0]	[+10,070]	[+10,070]
<i>Permanent Appropriations</i>				
Compact of Free Association .....	200,718	203,361	232,133	+28,772
Payments to the U.S. Territories, Fiscal Assistance .....	187,024	145,000	145,000	0
Subtotal, permanent appropriations .....	387,742	348,361	377,133	+28,772

## APPENDIX A

### COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>OIA (continued)</b>				
<b>Total, Insular Affairs.....</b>	<b>490,255</b>	<b>450,874</b>	<b>474,374</b>	<b>+23,500</b>
Budget authority .....	[490,255]	[450,874]	[464,304]	[+13,430]
Net transfers.....	[0]	[0]	[+10,070]	[+10,070]
<b>OFFICE OF THE SOLICITOR</b>				
<i>Current Appropriations</i>				
Office of the Solicitor - Salaries and Expenses .....	65,076	65,076	68,476	+3,400
Subtotal, current appropriations.....	65,076	65,076	68,476	+3,400
<b>Total, Solicitor.....</b>	<b>65,076</b>	<b>65,076</b>	<b>68,476</b>	<b>+3,400</b>
Budget authority .....	[65,076]	[65,076]	[68,476]	[+3,400]
<b>OFFICE OF INSPECTOR GENERAL</b>				
<i>Current Appropriations</i>				
Office of Inspector General - Salaries and Expenses.....	48,590	48,590	49,471	+881
Other net transfers .....	+200	0	0	0
Account total ( <i>w/ transfers</i> ).....	48,790	48,590	49,471	+881
Subtotal, current appropriations.....	48,590	48,590	49,471	+881
Other net transfers .....	+200	0	0	0
Subtotal, current appropriations ( <i>w/ transfers</i> ).....	48,790	48,590	49,471	+881
<b>Total, Inspector General.....</b>	<b>48,590</b>	<b>48,590</b>	<b>49,471</b>	<b>+881</b>
Other net transfers .....	+200	0	0	0
<b>Total, Inspector General (<i>w/ transfers</i>).....</b>	<b>48,790</b>	<b>48,590</b>	<b>49,471</b>	<b>+881</b>
Budget authority .....	[48,590]	[48,590]	[49,471]	[+881]
Net transfers.....	[+200]	[0]	[0]	[0]
<b>OFFICE OF THE SPECIAL TRUSTEE FOR AMERICAN INDIANS</b>				
<i>Current Appropriations</i>				
Federal Trust Programs .....	185,984	176,984	152,319	-24,665
Rescissions of new BA.....	-9,000	0	0	0
Account total ( <i>w/ rescissions</i> ) .....	176,984	176,984	152,319	-24,665
Subtotal, current appropriations.....	176,984	176,984	152,319	-24,665
Budget authority .....	[185,984]	[176,984]	[152,319]	[-24,665]
Rescissions of new BA.....	[-9,000]	[0]	[0]	[0]
<i>Permanent Appropriations</i>				
Tribal Special Funds.....	358,980	279,558	279,558	0
Tribal Trust Fund .....	123,022	77,769	77,769	0
Subtotal, permanent appropriations .....	482,002	357,327	357,327	0

**COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY**  
 (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>OST (continued)</b>				
<b>Total, Office of the Special Trustee for American Indians.</b>	658,986	534,311	509,646	-24,665
Budget authority .....	[667,986]	[534,311]	[509,646]	[-24,665]
Rescissions of new BA .....	[-9,000]	[0]	[0]	[0]

**DEPARTMENTAL OFFICES SUMMARY**

Subtotal, current appropriations.....	531,993	511,999	651,177	+139,178
Budget authority .....	[520,999]	[511,999]	[641,107]	[+129,108]
Supplementals .....	[+29,000]	[0]	[0]	[0]
Rescissions of new BA .....	[-9,000]	[0]	[0]	[0]
Net transfers.....	[-9,006]	[0]	[+10,070]	[+10,070]
Subtotal, permanent appropriations .....	2,665,738	4,486,829	2,817,518	-1,669,311
Budget authority .....	[2,665,738]	[4,486,829]	[2,817,518]	[-1,669,311]
<b>Total, Departmental Offices</b> .....	<b>3,197,731</b>	<b>4,998,828</b>	<b>3,468,695</b>	<b>-1,530,133</b>
Budget authority .....	[3,186,737]	[4,998,828]	[3,458,625]	[-1,540,203]
Supplementals .....	[+29,000]	[0]	[0]	[0]
Rescissions of new BA .....	[-9,000]	[0]	[0]	[0]
Net transfers.....	[-9,006]	[0]	[+10,070]	[+10,070]

**NATIONAL INDIAN GAMING COMMISSION**

*Permanent Appropriations*

National Indian Gaming Commission,				
Gaming Activity Fees.....	12,654	17,000	17,000	0
Subtotal, permanent appropriations .....	12,654	17,000	17,000	0
<b>Total, National Indian Gaming Commission</b> .....	<b>12,654</b>	<b>17,000</b>	<b>17,000</b>	<b>0</b>
Budget authority .....	[12,654]	[17,000]	[17,000]	[0]

**DEPARTMENT-WIDE PROGRAMS**

*Current Appropriations*

Central Hazardous Materials Fund.....	10,175	10,175	10,149	-26
Wildland Fire Management ( <i>w/o transfers</i> ) .....	794,897	794,897	729,521	-65,376
Other net transfers .....	+2,067	0	0	0
Account total ( <i>w/ transfers</i> ).....	796,964	794,897	729,521	-65,376
FLAME Wildfire Suppression Reserve Account.....	61,000	61,000	92,000	+31,000
Natural Resource Damage Assessment Fund.....	6,462	6,462	6,263	-199

## APPENDIX A

### COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>DWP (continued)</b>				
Working Capital Fund.....	85,823	85,823	73,119	-12,704
Subtotal, current appropriations.....	958,357	958,357	911,052	-47,305
Other net transfers .....	+2,067	0	0	0
Subtotal, current appropriations ( <i>w/ transfers</i> ).....	960,424	958,357	911,052	-47,305
Budget authority .....	[958,357]	[958,357]	[911,052]	[-47,305]
Other net transfers.....	[+2,067]	[0]	[0]	[0]
<b>Permanent Appropriations</b>				
Payments in Lieu of Taxes .....	358,479	369,233	380,310	+11,077
Natural Resource Damage Assessment Fund.....	270,714	60,000	60,000	0
Net transfers.....	-3,256	-3,000	-3,000	0
Account total ( <i>w/ transfers</i> ).....	267,458	57,000	57,000	0
Subtotal, permanent appropriations .....	625,937	426,233	437,310	+11,077
Budget authority .....	[629,193]	[429,233]	[440,310]	[+11,077]
Net transfers.....	[-3,256]	[-3,000]	[-3,000]	[0]
<b>Total, Department-wide Programs.....</b>	<b>1,586,361</b>	<b>1,384,590</b>	<b>1,348,362</b>	<b>-36,228</b>
Budget authority .....	[1,587,550]	[1,387,590]	[1,351,362]	[-36,228]
Net transfers.....	[-1,189]	[-3,000]	[-3,000]	[0]

### INTERIOR, ENVIRONMENT, AND RELATED AGENCIES SUMMARY

<b>Total, Interior, Environment and Related Agencies .....</b>	<b>17,026,564</b>	<b>18,530,835</b>	<b>16,577,537</b>	<b>-1,953,298</b>
North Shore Road in Defense Appropriation .....	+6,800	0	0	0
Other net transfers ( <i>current authority only</i> ) .....	+11,814	0	+10,070	+10,070
<b>Total, Interior, Environment, and Related Agencies</b>				
( <i>w/ North Shore Road Defense Appropriation and other net transfers</i> ).....	<b>17,045,178</b>	<b>18,530,835</b>	<b>16,587,607</b>	<b>-1,943,228</b>
<b>Grand total, current authority, regular appropriations.....</b>	<b>[11,155,469]</b>	<b>[11,142,603]</b>	<b>[11,195,134]</b>	<b>[+52,531]</b>
Supplements .....	[+29,000]	[0]	[0]	[0]
North Shore Road in Defense Appropriation .....	[+6,800]	[0]	[0]	[0]
Rescissions of new BA .....	[-9,000]	[0]	[0]	[0]
Rescissions of prior year BA .....	[-22,020]	[-25,000]	[0]	[+25,000]
Net mandated transfers ( <i>current other net transfers only</i> ) .....	[+11,814]	[0]	[+10,070]	[+10,070]
Rescission of contract authority .....	[-30,000]	[-30,000]	[-30,000]	[0]
Net, current authority ( <i>w/ transfers</i> ) .....	[11,142,063]	[11,087,603]	[11,175,204]	[+87,601]
Net, current authority ( <i>w/o transfers</i> ) .....	[11,130,249]	[11,087,603]	[11,165,134]	[+77,531]
<b>Grand total, permanent authority.....</b>	<b>[6,119,876]</b>	<b>[7,646,321]</b>	<b>[5,620,682]</b>	<b>[-2,025,639]</b>
Net transfers.....	[-216,761]	[-203,089]	[-208,279]	[-5,190]
Net, permanent authority .....	[5,903,115]	[7,443,232]	[5,412,403]	[-2,030,829]

**COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY**  
 (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>ENERGY AND WATER DEVELOPMENT</b>				
<b>BUREAU OF RECLAMATION</b>				
<i>Current Appropriations</i>				
Water and Related Resources .....	951,158	951,158	805,187	-145,971
Supplementals .....	+10,000	0	0	0
Account total ( <i>w/ supplementals</i> ).....	961,158	951,158	805,187	-145,971
Policy and Administration.....	61,200	61,200	60,000	-1,200
Indian Water Rights Settlements.....	0	0	51,483	+51,483
San Joaquin River Restoration Fund .....	0	0	9,000	+9,000
California Bay-Delta Restoration.....	40,000	40,000	39,651	-349
Central Valley Project Restoration Fund.....	35,358	35,358	53,068	+17,710
Subtotal, current appropriations.....	1,097,716	1,087,716	1,018,389	-69,327
Budget authority .....	[1,097,716]	[1,087,716]	[1,018,389]	[-69,327]
Discretionary Offsets .....	-36,837	-36,837	-52,767	-15,930
<i>Permanent Appropriations</i>				
Colorado River Dam Fund, Boulder Canyon Project .....	83,667	103,895	107,109	+3,214
Miscellaneous Permanent .....	425	265	265	0
Loan Program Subsidy Reestimate .....	4,891	0	0	0
Loan Program Liquidating Account.....	-4,243	-2,316	-851	+1,465
San Gabriel Basin Restoration Fund.....	0	0	0	0
San Joaquin River Restoration Fund .....	12,023	51,900	24,077	-27,823
Reclamation Trust Funds .....	5,586	4,500	3,000	-1,500
Federal Lands Recreation Enhancement Act .....	543	900	900	0
Indian Water Rights Settlements.....	0	0	60,000	+60,000
Subtotal, permanent appropriations .....	102,892	159,144	194,500	+35,356
<b>Total, Reclamation.....</b>	<b>1,200,608</b>	<b>1,246,860</b>	<b>1,212,889</b>	<b>-33,971</b>
Budget authority .....	[1,190,608]	[1,246,860]	[1,212,889]	[-33,971]
Supplementals .....	[+10,000]	[0]	[0]	[0]
Discretionary Offsets .....	-36,837	-36,837	-52,767	-15,930
<b>CENTRAL UTAH PROJECT</b>				
<i>Current Appropriations</i>				
Central Utah Project Completion Account.....	42,004	42,004	32,991	-9,013
Mandated Interior transfers .....	-1,500	-1,500	-2,000	-500
Account total ( <i>w/ transfers</i> ).....	40,504	40,504	30,991	-9,513

## APPENDIX A

### COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY (in thousands of dollars)

<u>Appropriation/ Bureau/Account</u>	<u>2010 Actual</u>	<u>2010 Enacted/ 2011 CR</u>	<u>2012 Request</u>	<u>Change</u>
<b>CUPCA (continued)</b>				
Utah Reclamation Mitigation and Conservation Account....	0	0	0	0
Mandated Interior transfers .....	+1,500	+1,500	+2,000	+500
Account total ( <i>w/ transfers</i> ).....	1,500	1,500	2,000	+500
Subtotal, current appropriations.....	42,004	42,004	32,991	-9,013
Budget authority .....	[42,004]	[42,004]	[32,991]	[-9,013]
<i>Permanent Appropriations</i>				
Utah Reclamation Mitigation and Conservation Account....	7,584	0	0	0
Subtotal, permanent appropriations .....	7,584	0	0	0
<b>Total, Central Utah Project .....</b>	<b>49,588</b>	<b>42,004</b>	<b>32,991</b>	<b>-9,013</b>
Budget Authority .....	[49,588]	[42,004]	[32,991]	[-9,013]
<b>ENERGY AND WATER DEVELOPMENT SUMMARY</b>				
<b>Total, Energy and Water Development .....</b>	<b>1,250,196</b>	<b>1,288,864</b>	<b>1,245,880</b>	<b>-42,984</b>
<b>Grand total, current authority.....</b>	<b>[1,129,720]</b>	<b>[1,129,720]</b>	<b>[1,051,380]</b>	<b>[-78,340]</b>
Supplementals .....	[+10,000]	[0]	[0]	[0]
Net, current authority.....	[1,139,720]	[1,129,720]	[1,051,380]	[-78,340]
<b>Grand total, permanent authority.....</b>	<b>[110,476]</b>	<b>[159,144]</b>	<b>[194,500]</b>	<b>[+35,356]</b>
<b>DEPARTMENT OF THE INTERIOR</b>				
<b>Total, Department of the Interior.....</b>	<b>18,276,760</b>	<b>19,819,699</b>	<b>17,823,417</b>	<b>-1,996,282</b>
North Shore Road in Defense Appropriation .....	+6,800	0	0	0
Other net transfers .....	+11,814	0	+10,070	+10,070
<b>Total, Department of the Interior</b> <i>(w/ Defense Appropriation and transfers)</i> .....	<b>18,295,374</b>	<b>19,819,699</b>	<b>17,833,487</b>	<b>-1,986,212</b>
Grand total, current authority .....	[12,285,189]	[12,272,323]	[12,246,514]	[-25,809]
Supplementals .....	[+39,000]	[0]	[0]	[0]
North Shore Road in Defense Appropriation .....	[+6,800]	[0]	[0]	[0]
Rescissions of new BA .....	[-9,000]	[0]	[0]	[0]
Net transfers.....	[+11,814]	[0]	[+10,070]	[+10,070]
Rescissions of prior year BA .....	[-22,020]	[-25,000]	[0]	[+25,000]
Rescission of contract authority .....	[-30,000]	[-30,000]	[-30,000]	[0]
<b>Net, current authority (w/ transfers).....</b>	<b>[12,281,783]</b>	<b>[12,217,323]</b>	<b>[12,226,584]</b>	<b>[+9,261]</b>
<b>Net, current authority (w/o transfers) .....</b>	<b>[12,269,969]</b>	<b>[12,217,323]</b>	<b>[12,216,514]</b>	<b>[-809]</b>
Grand total, permanent authority .....	[6,230,352]	[7,805,465]	[5,815,182]	[-1,990,283]
Net transfers.....	[-216,761]	[-203,089]	[-208,279]	[-5,190]
<b>Net, permanent authority .....</b>	<b>[6,013,591]</b>	<b>[7,602,376]</b>	<b>[5,606,903]</b>	<b>[-1,995,473]</b>

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**COMPARISON OF 2010, 2011, AND 2012 BUDGET AUTHORITY**

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**Explanatory Notes**

Appendix A is presented in a way that bridges between the scoring used by the Appropriations Committees and the scoring used by the Executive Branch. As a result the budget totals in the 2012 Interior Budget in Brief differ slightly from the presentation in the 2012 President's budget. The President's budget uses a system of budget scoring required by the Budget Enforcement Act that is based on "net discretionary budget authority." The Interior Budget in Brief document almost exclusively uses a system of scoring based on "current authority" in order to be consistent with the presentation used by the Appropriations Committees.

Current authority portrays the amounts that Congress appropriates each year to carry out the Department's programs, including funds classified as mandatory under the Budget Enforcement Act that must still be appropriated each year. Most mandatory funding does not require annual appropriations and is excluded from current authority. Net discretionary amounts exclude mandatory funding and are reduced by offsetting receipts. Additionally, there can be differences in how certain provisions are displayed or scored in appropriations as compared to the President's budget. For example, the rescission of NPS contract authority and the net receipts sharing provisions are shown as reductions to current authority and as reductions in the Appropriations Committee scoring tables for the 2010 Interior, Environment, and Related Agencies Appropriations Act. However, in the 2010 column of the 2012 President's budget, these provisions are not shown as reductions to reach discretionary budget authority.

The difference in scoring impacts the budgets of BLM, Reclamation, CUPCA, and OIA. Both BLM and OIA have current accounts or portions of accounts that are classified as mandatory and are included in the Appropriations Committee scoring tables. This funding is excluded from the net discretionary totals for these bureaus. Additionally, BLM, Reclamation, and CUPCA have receipts that offset account totals. The BLM Service Charges, Deposits and Forfeitures account and Reclamation's Central Valley Project include discretionary offsets (receipts) that reduce discretionary totals. In 2010, the CUPCA Utah Mitigation account includes offsetting receipts of \$7.6 million, which reduces the permanent discretionary appropriation of \$8.0 million for a net reduction of \$405,000.

As depicted on the table, scoring differences do not impact other bureaus and are slight, relative to the size of the budget, a net of \$168.2 million in 2012.

## EXPLANATORY NOTES (CONTINUED)

**Budget from Current Authority to Net Discretionary Authority**

	2010 <u>Actual</u>	2010 Enacted/ <u>2011 CR</u>	2012 <u>Request</u>
Total, Current Authority .....	12,281,783	12,217,323	12,226,584
Adjustment for Mandatory Current Accounts			
Bureau of Land Management			
Range Improvements .....	-10,000	-10,000	-10,000
Miscellaneous Trusts .....	-31,999	-21,700	-19,700
Insular Affairs .....			
Compact of Free Association.....	-27,720	-27,720	-27,720
Adjustment for Offsets			
Bureau of Land Management .....			
Mining Law Administration .....		-19,000	-16,000
Bureau of Ocean Energy Management, Regulation and Enforcement			
Net Receipts Sharing <sup>1/</sup> .....	-45,000	-38,000	
Office of the Secretary			
Net Receipts Sharing <sup>1/</sup> .....			-42,000
Reclamation Central Valley Restoration Receipts....	-36,837	-36,837	-52,767
Utah Mitigation Net Offsets.....	-405		
Total, Net Discretionary .....	12,129,822	12,064,066	12,058,397

<sup>1/</sup> The display for Net Receipts Sharing shown above varies from the display shown in the President's budget. The President's budget displays the offset against the Office of the Secretary in 2011 and 2012. For 2011 net receipts sharing will offset appropriations for the Bureau of Ocean Energy Management, Regulation and Enforcement. Beginning in 2012, net receipts sharing will offset appropriations for the Office of the Secretary with the transfer of the funding for the Office of Natural Resources Revenue to OS.

Another difference in the presentation of budget materials is that the Office of Management and Budget presents the President's budget to the Congress in "millions of dollars" and the Interior Budget in Brief presents funding in "thousands of dollars," the level at which Congress appropriates. When several amounts that have been rounded to millions of dollars are added or subtracted, there may be small differences between the sums of the rounded and non-rounded numbers. This may result in slight differences between the totals in the President's budget and totals in this document.

Appendix A is structured to provide two account totals where applicable. Most accounts only have one total, which reflects annual Congressional action. This total includes supplemental appropriations that fund operations that are ongoing in nature, like Wildland Fire operations, in addition to transfers authorized by the Interior, Environment, and Related Agencies and the Energy and Water Development appropriations bills. When applicable, accounts include an additional total line, which includes one-time disaster supplemental appropriations, Sec. 102 emergency transfers and repayments, transfers authorized by other Committees, and optional transfers. The purpose is to provide an agency total for "normalized" activities that is comparable to the actions taken by the Appropriations Committees and a separate total that reflects all actions.

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## EXPLANATORY NOTES (CONTINUED)

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### 2010 Actual

#### **Annual Appropriations**

- On October 1, 2009, the President signed a continuing resolution, Division B of the Legislative Branch Appropriations Act of 2010 (P.L. 111-68), providing for continuing appropriations through October 31, 2009. On October 28, 2009, the President signed the Energy and Water Development Appropriations Act of 2010 (P.L. 111-85). On October 30, 2009, the President signed the Interior, Environment, and Related Agencies Appropriations Act of 2010 (P.L. 111-88). The Interior Act included the following specific provisions and allowances:
  - ◊ Net Receipts Sharing – The Act continued the 2009 provision to deduct two percent from States' mineral leasing payments to help offset the administrative costs of Federal leasing programs. In 2010, the amount scored for this was \$45.0 million.
  - ◊ Implementation of New OCS Fees – The Act included a proposed new inspection fee on each OCS above-water oil and gas facility that is subject to inspection. The fee defrays inspection costs based on the complexity of the facility as determined by the number of wells. The offset for these fee collections totaled \$10.0 million.
  - ◊ Increased OCS Rents for BOEMRE Operations – The Interior Appropriation accepted the proposed increase of \$10.0 million in offsetting collections to the BOEMRE operating budget funded by OCS rents. The increase in the amount of acres leased in recent years made this possible.
  - ◊ Palau Compact Extension – The Act provided for a one-year discretionary extension of the Compact with Palau, which expired at the end of 2009. The extension allowed for continued payments to the Republic of Palau through 2010. The extension was scored as an increase of \$12.0 million in current authority. In addition, \$2.0 million that was included in the Insular Affairs budget as a current mandatory was treated as a discretionary appropriation.
  - ◊ Geothermal Payments to Counties and Geothermal Steam Act Implementation Fund – The Act adopted an offset of \$15.0 million for a one-year repeal of Energy Policy Act of 2005 Sections 224(b) and 234, which changed the formula for geothermal receipts, created the Geothermal Steam Act Implementation Fund, and eliminated payments to counties.
  - ◊ Rescission of Oil Shale Funding – The Act rescinded a 2009 one-time increase of \$1.0 million for oil shale core samples.

#### **2010 Supplemental Appropriations**

- Supplemental Appropriations Act, 2010 (P.L. 111-212), signed by the President on July 29, 2010 included the following provisions for the Department of the Interior:
  - ◊ Drought emergency assistance – provided \$10.0 million in the Bureau of Reclamation Water and Related Resources account for drought emergency assistance (Sec. 401).
  - ◊ Oil Spill Supplemental - provided \$29.0 million to the Office of the Secretary - Salaries and Expenses account for increased inspections, enforcement, investigations, environmental and engineering studies, and other activities related to emergency offshore oil spill incidents; and provided transfer authority for the funding (Title II).

**EXPLANATORY NOTES (CONTINUED)**

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- ◊ Provided for the accelerated permitting of the Southwest Intertie project (Sec. 2003).
- ◊ Authorized the reinstatement of 2010 payments to counties as authorized in the Geothermal Steam Act of 1970 (Sec. 3003). The payments to counties were repealed for 2010 as part of the Interior, Environment and Related Agencies Appropriation Act, 2010.
- ◊ Amended P.L. 111-88 reducing the funding provided for Federal Trust Programs in the Office of the Special Trustee for American Indians by \$9.0 million (Sec. 3004).
- ◊ Provided special reprogramming authority for Departmental bureaus funded by the Interior, Environment and Related Agencies Appropriations Act for contract adjustments within the original scope of projects funded through the American Recovery and Reinvestment Act and for associated administrative costs (Sec. 3006).
- ◊ Authorized a one-year extension of the Federal Land Transaction Facilitation Act (Sec. 3007).
- ◊ Amended Section 31 of the Outer Continental Shelf Lands Act to provide emergency authority for the Coastal Impact Assistance Program (Sec. 3013).
- ◊ Extended the authorization for the NPS Chesapeake Gateway program authorized under the Chesapeake Bay Initiative Act of 1998 (Sec. 3005).

**Other Legislation Impacting Interior Appropriations and Accounts and Transfers**

- The Omnibus Public Land Management Act, P.L. 111-11, established the San Joaquin River Restoration Fund to meet the requirements of the *Rodgers v. NRDC* settlement. The Act redirects the Friant surcharge receipts to the new mandatory account. The result of this Act is to reduce the funding level for current appropriations for the Central Valley Restoration Fund. The first payment of \$15.9 million was made in 2010.
- Division B, Section 1007 of the Department of Defense Appropriations Act, 2010 (P.L. 111-118) authorized the Secretary to make a payment to Swain County, North Carolina in the amount of \$12.8 million for the non-construction of the North Shore Road. The provision appropriated \$6.8 million to the NPS Construction account from rescinded balances resulting from the Department of Transportation and Related Agencies Appropriations Act, 2001 for the North Shore Road, and \$6.0 million derived from NPS Construction unobligated balances available from prior appropriations.
- The FAA Air Transportation Modernization and Safety Improvement Act (P.L. 111-226) included the following rescissions for the Department of the Interior:
  - ◊ Rescinded \$6.8 million in American Recovery and Reinvestment Act unobligated balances from the BIA Indian Guaranteed Loan Program (Sec. 310).
  - ◊ Rescinded \$4.8 million in NPS Construction unobligated balances provided in the Military Construction Appropriations and Emergency Hurricane Supplemental Appropriations Act, 2005 (P.L. 108-324) for damages as a result of Hurricane Ivan (Sec. 314).
  - ◊ Rescinded \$6.4 million in NPS Construction unobligated balances provided in the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror and Hurricane Recovery, 2006 (P.L. 109-234) for damages as a result of Hurricane Katrina and other hurricanes of the 2005 season (Sec. 315).

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## EXPLANATORY NOTES (CONTINUED)

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- ◊ Rescinded \$3.0 million in FWS Construction unobligated balances provided in the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (P.L. 110-329) for damages as a result of hurricanes and other natural disasters of the 2008 season (Sec. 316).
- The NPS received a transfer under the Commercial Spectrum Enhancement Act of \$5.6 million. The Act provides authority for agencies to a share of the spectrum auction revenues to fund their conversions to a bandwidth designated for public entities.
- The NPS received a transfer of \$168,000 from the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas program for drug trafficking deterrent actions.
- The FWS received a transfer of \$4.0 million from U.S. Agency for International Development for the conservation of great apes.

### 2011 Appropriations

At the time of budget publication, no annual appropriations for 2011 were enacted for Interior or any other agency. Funding for the Federal government is provided under P.L. 111-322, a Continuing Resolution making funds available through March 4, 2011. The CR provides funding for each account based on a daily rate at the 2010 enacted appropriations level excluding supplemental appropriations. The CR included one funding anomaly from the 2010 Enacted level for the Bureau of Ocean Energy Management, Regulation and Enforcement. The CR provided BOEMRE an annual operating rate of \$365 million including offsetting collections and inspection fees, which is approximately \$23 million over the 2010 level.

Throughout this document, bureau and account levels are presented at the annual rate provided under the authority of the fourth fiscal year 2011 continuing resolution (P.L. 111-322) in a column entitled 2010 Enacted/2011 CR. The 2012 budget documents make all funding comparisons to the 2010 Enacted/2011 CR level except for specific project detail. For accounts where the total amounts for 2010 Enacted and the 2011 CR differ, funding details compare the 2012 request to the 2010 Enacted level and include an adjustment at the end to tie the account to the 2011 CR level.

For planning purposes the details of line-item construction, land acquisition, Reclamation, and CUPCA projects reflect the 2011 President's request. Adjustments are made at the bottom to tie the account to the 2011 CR level.

### **2011 Appropriations**

- The year started with a government-wide continuing resolution through December 3, 2010 (P.L. 111-242). Funding in the CR was based on the 2010 appropriations level excluding supplemental appropriations, except for the BOEMRE. The first CR included the following:
  - ◊ BOEMRE was funded at an annual rate of \$365 million, but the CR did not allow for the collection of inspection fees or the use of offsetting collections (Sec. 128).
  - ◊ Rescission of \$25.0 million in unobligated prior year balances for the OCS Connect project from BOEMRE (Sec. 128).

**EXPLANATORY NOTES (CONTINUED)**

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- ◊ A technical correction for Reclamation drought emergency assistance funding provided in P.L. 111-212 to extend the period of availability for unobligated balances from a one-year term to a no-year term (Sec. 121). At the time of enactment, the unobligated balance was \$13,000.
- On December 4, 2010, an extension of the continuing resolution providing for continued operations through December 18, 2010 was signed by the President (P.L. 111-290).
- On December 18, 2010, the President signed another extension of the continuing resolution providing for operations through December 21, 2010 (P.L. 111-317).
- On December 22, 2010, the President signed an amended continuing resolution to fund government operations through March 4, 2011 (P.L. 111-322). This CR:
  - ◊ Restored the ability of BOEMRE to use offsetting collections and collect \$10.0 million in inspection fees at the current CR rate of \$365 million (Sec. 159).
  - ◊ Provided the Secretary authority to implement a reorganization of BOEMRE, including the establishment of accounts, transfer of funds, and other administrative actions (Sec. 160).
  - ◊ Provided authority for payment of geothermal receipts to counties for 2011 (Sec. 161).
  - ◊ Provided expenditure authority for Sport Fish Restoration and Boating Trust Fund through March 5, 2011 (Sec. 2401(b)).

**Other Legislation Impacting Interior Appropriations and Accounts and Transfers**

- The Claims Resolution Act of 2010 (P.L. 111-291) was signed by the President on December 8, 2010. This Act enacts the agreement reached in the *Cobell v. Salazar* settlement and provides mandatory funding of \$1.5 billion to cover historical accounting and trust administration payments to class members and establishes a \$1.9 billion fund for the voluntary buy-back and consolidation of fractionated land interests. In addition, as an added incentive to facilitate the purchase of fractionated land interests, up to \$60.0 million of the \$1.9 billion for land acquisition will be contributed to an existing, non-profit organization for the education of American Indians and Alaska Natives. Upon final approval by the U.S. District Court for the District of Columbia, the *Cobell v. Salazar* settlement agreement will be implemented. Mandatory funding of \$1.9 billion is included in the Office of the Secretary Trust Land Consolidation Fund in 2011 for the settlement.
- The Claims Resolution Act also included four water settlements:
  - ◊ White Mountain Apache Tribe Water Rights Quantification.
  - ◊ Crow Tribe Water Rights Settlement.
  - ◊ Taos Pueblo Indian Water Rights.
  - ◊ Aamodt Litigation Settlement.
- The primary responsibility for constructing water systems associated with the settlements was given to Reclamation, and BIA is responsible for the majority of the trust funds. Mandatory funding of \$207.2 million is included in BIA in 2011 for the settlements.

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## EXPLANATORY NOTES (CONTINUED)

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### 2012 Appropriations

The following changes are proposed for inclusion in the 2012 Appropriations Acts.

- **Transfer of the Office of Natural Resources Revenue to the Office of the Secretary -** The 2012 budget displays the transfer of ONRR from BOEMRE to OS. The OS funding levels are increased for the transfer of the function and the BOEMRE funding levels are decreased by the amount of the transfer. With the transfer of ONRR to the Office of the Secretary, the following permanent accounts also transfer to the Office of the Secretary:
  - ◊ Mineral Leasing and Associated Payments
  - ◊ Payments to Alaska from Oil and Gas Leases, National Petroleum Reserve - Alaska
  - ◊ Leases of Lands Acquired for Flood Control, Navigation, and Allied Purposes
  - ◊ Geothermal Lease Revenues, Payments to Counties
  - ◊ National Forest Fund, Payments to States
  - ◊ State Share from Certain Gulf of Mexico Leases

The State Share from Certain Gulf of Mexico Leases and National Forest Fund, Payments to States accounts are displayed under BOEMRE in the President's budget presentation, but these accounts are moved to accurately reflect the transfer to OS with ONRR in the Budget in Brief.

- **Transfer of Coastal Impact Assistance Program from BOEMRE to FWS –** The authorization for the Coastal Impact Assistance program provided for \$250.0 million in mandatory funding to be provided annually from 2007-2010. The 2012 budget reflects the transfer of the administration and remaining balances of the grant program from BOEMRE to FWS. The FWS will administer the remaining program grant funds beginning in 2012. Transition planning will begin in 2011.
- **Fee Increase for Offshore Oil and Gas Inspections –** Through appropriations language, the Administration proposes to increase the inspection fees in 2012 for offshore oil and gas drilling facilities that are subject to inspection by BOEMRE. The increased fees are expected to generate an estimated \$65.0 million in 2012, and will include fees for drilling rigs. These inspections ensure production accountability, human safety, and environmental protection.
- **New Fee for Onshore Oil and Gas Inspections –** Through appropriations language, the Administration proposes to implement an inspection fee in 2012 for onshore oil and gas inspection activities. The proposed inspection fee is expected to generate an estimated \$38.0 million in 2012, offsetting the cost of onshore inspections. The fee would support Federal efforts to provide services that ensure production accountability, human safety, and environmental protection.
- **Onshore Oil and Gas Drilling Permit Fee –** The 2012 budget proposes to continue a fee for processing drilling permits through appropriations language, an approach taken by Congress in the 2009 and 2010 Appropriations Acts. A fee of \$6,500 per drilling permit was established in 2010, and if continued, would generate an estimated \$32.5 million in offsetting collections.

### EXPLANATORY NOTES (CONTINUED)

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- **New Fee for Coal and Other Minerals Inspections** – The 2012 budget proposes a new fee to recover the cost of inspecting coal and other minerals management program activities authorized by the BLM. These fees are projected to generate an estimated \$4.4 million annually, beginning in 2012.
- **Mining Permit and Administration Fees** – The Office of Surface Mining will propose new fees to recover the cost of processing mining permit applications, administering mining permits, and taking enforcement actions. The budget estimates that \$23.0 million would be recovered annually, beginning in 2012.

#### 2012 Authorization Proposals

- **Reform Abandoned Mine Land Reclamation** - The coal industry as a whole is held responsible for cleaning up abandoned coal mines by paying a fee on production that finances grants to States for reclamation. This purpose was lost when Congress authorized additional unrestricted payments to States and Tribes that have already completed their coal reclamation work. Furthermore, funds for reclamation are not well targeted at the highest priority abandoned mine lands but instead are distributed by a production-based formula, so that funding goes to the States with the most coal production, not the greatest reclamation needs. States can use the funding for a variety of purposes, including the reclamation of abandoned hardrock mines, for which there is no other source of Federal funding.

The Administration proposes to reform the coal AML program to reduce unnecessary spending and ensure that the Nation's highest priority sites are reclaimed. First, the budget proposes to terminate the unrestricted payments to States and Tribes that have been certified for completing their coal reclamation work because these payments do not contribute to AML reclamation. Second, the budget proposes to reform the remaining funding to competitively allocate available resources to the highest priority coal AML sites. Through a competitive grant program, a new Abandoned Mine Lands Advisory Council will review and rank the AML sites, so that OSM can distribute grants to reclaim the highest priority coal sites each year.

Third, to address the legacy of abandoned hardrock mines across the U.S., the Department will propose legislation to create a parallel AML program for abandoned hardrock sites. Like the coal AML program, hardrock reclamation would be financed by a new AML fee on the production of hardrock minerals on both public and private lands. The BLM would distribute the funds through a competitive grant program to reclaim the highest priority hardrock AML sites on Federal, State, tribal, and private lands. Altogether, this proposal will save \$1.3 billion over the next ten years, focus available coal fees to better address the Nation's most dangerous abandoned coal mines, and hold the hardrock mining industry responsible for cleaning up the hazards left by their predecessors.

- **Reform Hardrock Mining on Federal Lands** – The Department will submit a legislative proposal to provide a fair return to the taxpayer from hardrock production on Federal lands. The legislative proposal would institute a leasing program under the Mineral Leasing Act of 1920 for certain hardrock minerals, gold, silver, lead, zinc, copper, uranium, and molybdenum, currently covered by the General Mining Law of

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## EXPLANATORY NOTES (CONTINUED)

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1872. After enactment, mining for these metals on Federal lands would be governed by the new leasing process and subject to annual rental payments and a royalty of not less than five percent of gross proceeds. Half of the receipts would be distributed to the States in which the leases are located and the remaining half would be deposited in the Treasury. Existing mining claims would be exempt from the change to a leasing system, but would be subject to increases in the annual maintenance fees under the General Mining Law of 1872. Holders of existing mining claims for these minerals could, however, voluntarily convert their claims to leases. The Office of Natural Resources Revenue will collect, account for, and disburse the hardrock royalty receipts.

- **Extend Service First Authority** – The laws creating Service First give the Secretaries of the Interior and Agriculture the authority to establish pilot programs that leverage resources. Service First allows certain land management agencies to conduct activities jointly or on behalf of one another; co-locate in Federal offices or leased facilities; make reciprocal delegations of their respective authorities, duties and responsibilities; and transfer funds and provide reimbursements on an annual basis, including transfers and reimbursements for multi-year projects. This authority is currently set to expire at the end of 2011. The budget proposes to make the Service First authority permanent in order to continue these arrangements that have saved costs and improved effectiveness.
- **Fee on Nonproducing Oil and Gas Leases** – The Administration will submit a legislative proposal to encourage energy production on lands and waters leased for development. A \$4.00 per acre fee on non-producing Federal leases on lands and waters would provide a financial incentive for oil and gas companies to either get their leases into production or relinquish them so that the tracts can be leased to and developed by new parties. The proposed \$4.00 per acre fee would apply to all new leases and would be indexed annually. In October 2008, the Government Accountability Office issued a report critical of past efforts by Interior to ensure that companies diligently develop their Federal leases. Although the GAO report focused on administrative actions that the Department could undertake, this proposal requires legislative action. This proposal is similar to other non-producing fee proposals considered by the Congress in the last several years. The fee is projected to generate revenues to the Treasury of \$25.0 million in 2012 and \$874.0 million over ten years.
- **Net Receipts Sharing for Energy Minerals** – The Administration proposes to make permanent the current arrangement for sharing the cost to administer energy and minerals receipts, beginning in 2013. Under current law, States receiving significant payments from mineral revenue development on Federal lands also share in the costs of administering the Federal mineral leases from which the revenue is generated. In 2012, this net receipts sharing deduction from mineral revenue payments to States would be implemented as an offset to the Interior Appropriations Act, consistent with the provision included in 2010 and continued under the 2011 CR. Permanent implementation of net receipts sharing is expected to result in savings of \$44.0 million in 2013 and \$440.0 million over ten years.
- **Repeal Oil and Gas Fee Prohibition and Mandatory Permit Funds** – The Administration proposes to repeal portions of Section 365 of the Energy Policy Act, beginning in 2013. Section 365 diverted mineral leasing receipts from the Treasury to a BLM Permit Processing Improvement Fund and also prohibited BLM from establishing cost re-

**EXPLANATORY NOTES (CONTINUED)**

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covery fees for processing applications for oil and gas permits to drill. Congress has implemented permit fees through appropriations language for the last several years and the 2012 budget proposes to continue this practice. Starting in 2013, upon elimination of the fee prohibition, BLM will promulgate regulations to establish fees for applications for permits to drill administratively. In combination with normal discretionary appropriations, these cost recovery fees will then replace the APD fees set annually through appropriations language and the mandatory permit fund, which would also be repealed starting in 2013. Savings from terminating this mandatory funding are estimated at \$20.0 million in 2013 and \$57.0 million over three years.

- **Geothermal Energy Receipts** – The Administration proposes to repeal Section 224(b) of the Energy Policy Act of 2005. Prior to passage of this legislation, geothermal revenues were split between the Federal government and States, with 50 percent directed to States, and 50 percent to the Treasury. The Energy Policy Act changed this distribution beginning in 2006 to direct 50 percent to States, 25 percent to counties, and for a period of five years, 25 percent to a new BLM Geothermal Steam Act Implementation Fund. The allocations to the new BLM geothermal fund were discontinued a year early through a provision in the 2010 Interior Appropriations Act. The repeal of Section 224(b) will permanently discontinue payments to counties and restore the disposition of Federal geothermal leasing revenues to the historical formula of 50 percent to the States and 50 percent to the Treasury. This results in savings of \$6.5 million in 2012 and \$74.0 million over ten years.
- **Deep Gas and Deepwater Incentives** – The Administration proposes to repeal Section 344 of the Energy Policy Act of 2005. Section 344 mandated royalty incentives for certain “deep gas” production on the Federal Outer Continental Shelf. This change will help ensure that Americans receive fair value for Federally-owned mineral resources. Based on current oil and gas price projections, the budget does not assume savings from this change; however, the proposal could generate savings to the Treasury if future natural gas prices end up being lower than currently projected.
- **Repeal of Authorities to Accept Royalty Payments In Kind** – The Administration proposes to solidify a recent Interior reform terminating the royalty-in-kind program by repealing all authorities to accept future royalties through RIK. This change will help increase confidence in the proper accounting of future royalty payments. The budget does not assume savings from this change because the Administration does not anticipate restarting the RIK program; however, if enacted, this proposal would provide additional certainty that a new RIK program would not be initiated at some point in the future.
- **Federal Land Transaction Facilitation Act** – The Administration proposes to reauthorize this Act, eliminating the 2011 sunset date and allowing lands identified as suitable for disposal in recent land use plans to be sold using this authority. The sales revenues would continue to be used to fund the acquisition of environmentally sensitive lands and the administrative costs associated with conducting sales.

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## EXPLANATORY NOTES (CONTINUED)

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- **Federal Migratory Bird Hunting and Conservation Stamps** – Federal Migratory Bird Hunting and Conservation Stamps, commonly known as Duck Stamps, were originally created in 1934 as the annual Federal license required for hunting migratory waterfowl. Today, 98 percent of the receipts generated from the sale of these \$15.00 stamps are used to acquire important migratory bird areas for migration, breeding and wintering. The price of the Duck Stamp has not increased since 1991, while the cost of land and water has increased significantly. The Administration proposes to increase these fees to \$25.00 per stamp per year, beginning in 2012. Increasing the cost of Duck Stamps will bring the estimate for the Migratory Bird Conservation account to approximately \$58.0 million. With these increased receipts, the Department anticipates additional acquisition of approximately 7,000 acres in fee and approximately 10,000 acres in conservation easement in 2012. Total acres acquired for 2012 would then be approximately 28,000 acres in fee title and 47,000 acres in perpetual conservation easements.
- **Compact of Free Association** – On September 3, 2010, the United States and the Republic of Palau successfully concluded the review of the Compact of Free Association and signed a 15-year agreement that includes a package of assistance through 2024. Under the agreement, Palau committed to undertake economic, legislative, financial, and management reforms. The conclusion of the agreement reaffirms the close partnership between the U. S. and the Republic of Palau. Permanent and indefinite funding for the compact expired at the end of 2010. The 2012 budget seeks to authorize permanent funding for the Compact as it strengthens the foundations for economic development by developing public infrastructure, and improving health care and education. Compact funding will also undertake one or more infrastructure projects designed to support Palau's economic development efforts. The Republic of Palau has a strong track record of supporting the U.S. and its location is strategically linked to Guam and U.S. operations in Kwajalein Atoll. The cost for this proposal for 2012-2021 is \$188.5 million.



# ENERGY PROGRAMS

(in thousands of dollars)

Bureau/Program	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>BUREAU OF LAND MANAGEMENT</b>				
Energy and Minerals Program				
Appropriations.....	69,336	69,336	39,632	-29,704
Offsetting Collections (APD Fees).....	45,500	45,500	32,500	-13,000
Renewable Energy (geothermal) ( <i>estimate</i> ).....	[1,200]	[1,200]	[1,200]	[0]
Offsetting Collections (Inspection Fees).....	0	0	37,950	+37,950
Lands and Realty Management				
Renewable Energy (ROW/NEPA/Coord. Offices) ...	16,735	16,735	19,735	+3,000
Soil, Water, and Air - Air Quality Monitoring .....	0	0	2,000	+2,000
Subtotal, Appropriations and Offsetting Collections.....	131,571	131,571	131,817	+246
Other Funding Sources				
Cost Recoveries in Service Charges, Deposits Account				
Oil and Gas Cost Recoveries (non-APD) <sup>1/</sup> .....	2,985	2,900	7,300	+4,400
Rights-of-Way Processing Cost Recoveries <sup>2/</sup> .....	8,420	8,200	8,200	0
ROW Cost Recoveries - Renewable Energy .....	[4,200]	[4,100]	[4,100]	[0]
Mandatories				
APD Permit Processing Improvement Fund <sup>3/</sup> ....	21,000	21,000	21,000	0
NPR-2 Revenue .....	25	77	100	+23
Subtotal, Other Funding Sources.....	32,430	32,177	36,600	+4,423
Subtotal, Bureau of Land Management .....	164,001	163,748	168,417	+4,669
BLM Subtotal - New Energy Frontier Initiative <sup>4/</sup> .....	[152,636]	[152,571]	[152,817]	[+246]
<b>BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT</b>				
Offshore Energy and Minerals Management .....	196,874	207,115	297,003	+89,888
General Administration <sup>5/</sup> .....	35,829	35,784	46,425	+10,641
Oil Spill Research.....	6,303	6,303	14,923	+8,620
Oil Spill Supplemental .....	8,506	0	0	0
Subtotal, Bureau of Ocean Energy Management,				
Regulation and Enforcement.....	247,512	249,202	358,351	+109,149
<i>Offsetting Collections</i> .....	[156,730]	[154,890]	[160,163]	[+5,273]
<i>Inspection Fees</i> .....	[10,000]	[10,000]	[65,000]	[+55,000]
BOEMRE Subtotal - New Energy Frontier Initiative <sup>4/</sup> ...	[247,512]	[249,202]	[358,351]	[+109,149]
<b>U.S. GEOLOGICAL SURVEY</b>				
Energy Resources.....	27,237	27,237	27,392	+155
Subtotal, U.S. Geological Survey .....	27,237	27,237	27,392	+155
USGS Subtotal - New Energy Frontier Initiative .....	[3,575]	[3,575]	[6,575]	[+3,000]
<b>FISH AND WILDLIFE SERVICE</b>				
Consultation and Planning.....	11,559	11,559	15,559	+4,000
Subtotal, Fish and Wildlife Service.....	11,559	11,559	15,559	+4,000
FWS Subtotal - New Energy Frontier Initiative.....	[6,125]	[6,125]	[10,125]	[+4,000]

## APPENDIX B

### ENERGY PROGRAMS (in thousands of dollars)

Bureau/Program	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>BUREAU OF INDIAN AFFAIRS</b>				
Trust Natural Resources				
Mining and Minerals Program (TPA).....	3,265	3,265	4,215	+950
Mining and Minerals Program (non-TPA).....	12,972	12,972	12,722	-250
Mining and Minerals Central Oversight.....	1,522	1,522	893	-629
Mining and Minerals Regional Oversight .....	863	863	859	-4
Fort Berthold Real Estate Services .....	0	0	1,000	+1,000
Subtotal, Bureau of Indian Affairs .....	18,622	18,622	19,689	+1,067
BIA Subtotal - New Energy Frontier Initiative .....	[5,000]	[5,000]	[8,500]	[+3,500]
<b>OFFICE OF THE SECRETARY</b>				
Office of Hearings and Appeals.....	1,017	1,017	1,007	-10
Office of Natural Resources Revenue <sup>5/</sup> .....	109,244	122,101	147,901	+25,800
Subtotal, Office of the Secretary .....	110,261	123,118	148,908	+25,790
OS Subtotal - New Energy Frontier Initiative <sup>4/</sup> .....	[109,244]	[122,101]	[147,901]	[+25,800]
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>579,192</b>	<b>593,486</b>	<b>738,316</b>	<b>+144,830</b>
<b>TOTAL, NEW ENERGY FRONTIER INITIATIVE ....</b>	<b>[524,092]</b>	<b>[538,574]</b>	<b>[684,269]</b>	<b>[+145,695]</b>

<sup>1/</sup> The cost recovery amounts for 2011 and 2012 are estimates only.

<sup>2/</sup> Amounts shown are 50 percent of the total rights-of-way cost recoveries, reflecting estimates for energy related rights-of-way.

<sup>3/</sup> Actual mineral leasing rental receipts vary by year and are difficult to predict. As a result, BLM's spending plan for the Permit Processing Improvement Fund makes available a total of \$21.0 million. Actual receipts may vary.

<sup>4/</sup> The New Energy Frontier initiative subtotals include discretionary and mandatory funding for BLM, BOEMRE, and OS.

<sup>5/</sup> The Office of Natural Resources Revenue was established within the Office of the Secretary on Oct 1, 2010 as part of the reorganization of the former Minerals Management Service. For comparison purposes, ONRR funding has been removed from the subactivities for 2010 actual and 2010 Enacted/2011 CR. In 2012 ONRR transfers to the Office of the Secretary.

# COOPERATIVE LANDSCAPE CONSERVATION

(in thousands of dollars)

Bureau/Account/Activity	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>CLIMATE VARIABILITY SCIENCE</b>				
<b>U.S. GEOLOGICAL SURVEY</b>				
DOI Climate Science Centers.....	15,143	15,143	25,573	+10,430
Research and Development .....	32,939	32,939	24,141	-8,798
Carbon Sequestration.....	10,095	10,095	14,345	+4,250
Science Support for DOI Bureaus.....	5,000	5,000	8,860	+3,860
Subtotal, U.S. Geological Survey .....	63,177	63,177	72,919	+9,742
Total, Climate Variability Science .....	63,177	63,177	72,919	+9,742
<b>ADAPTIVE MANAGEMENT</b>				
<b>BUREAU OF LAND MANAGEMENT</b>				
Ecosystem Assessments.....	4,500	4,500	4,500	0
Seed Preservation .....	3,000	3,000	3,000	0
Landscape Restoration Activities.....	7,500	7,500	7,500	0
Adaptation Strategies .....	0	0	2,500	+2,500
Subtotal, Bureau of Land Management.....	15,000	15,000	17,500	+2,500
<b>BUREAU OF RECLAMATION</b>				
Basin Studies .....	1,000	1,000	3,500	+2,500
Science and Technology.....	2,000	2,000	3,500	+1,500
Subtotal, Bureau of Reclamation .....	3,000	3,000	7,000	+4,000
<b>FISH AND WILDLIFE SERVICE</b>				
Cooperative Landscape Conservation .....	10,000	10,000	20,247	+10,247
Adaptation Strategies .....	10,000	10,000	17,236	+7,236
Partners - Private Lands .....	6,000	6,000	8,000	+2,000
National Wildlife Refuge System .....	12,000	12,000	20,000	+8,000
National Fish Habitat Action Plan .....	2,000	2,000	2,000	0
Subtotal, Fish and Wildlife Service.....	40,000	40,000	67,483	+27,483
<b>NATIONAL PARK SERVICE</b>				
Land, Water, and Wildlife Adaptation Strategies .....	7,000	7,000	6,929	-71
Response Monitoring System .....	3,000	3,000	2,969	-31
Subtotal, National Park Service .....	10,000	10,000	9,898	-102
<b>BUREAU OF INDIAN AFFAIRS</b>				
Cooperative Landscape Conservation .....	0	0	200	+200
Subtotal, Bureau of Indian Affairs.....	0	0	200	+200
Total, Adaptive Management.....	68,000	68,000	102,081	+34,081
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>131,177</b>	<b>131,177</b>	<b>175,000</b>	<b>+43,823</b>



# WATERSMART

(in thousands of dollars)

Bureau/Account/Activity	2010 Actual	2010 Enacted/ 2011 CR <sup>1/</sup>	2012 Request	Change
<b>BUREAU OF RECLAMATION</b>				
Water and Related Resources				
WaterSMART Grants.....	18,000	27,000	18,500	-8,500
Basin Studies .....	3,000	6,000	6,000	0
Cooperative Watershed Management <sup>2/</sup> .....	0	0	250	+250
Title XVI Water Reclamation and Reuse .....	13,595	29,000	29,000	0
Water Conservation Field Services <sup>2/</sup> .....	6,176	7,854	5,108	-2,746
Subtotal, Bureau of Reclamation.....	40,771	69,854	58,858	-10,996
Adjustment for CR .....	[0]	[-29,083]	[0]	[+29,083]
Subtotal, Bureau of Reclamation ( <i>adjusted for CR</i> ) .....	[40,771]	[40,771]	[58,858]	[+18,087]
<b>U.S. GEOLOGICAL SURVEY</b>				
Surveys, Investigations, and Research				
Ecosystems - Fisheries: Aquatic and Endangered Resources.....	0	0	500	+500
Climate and Land Use Change - Geographic Analysis and Monitoring .....	0	0	500	+500
Water Resources - Groundwater Resources.....	1,594	1,594	2,694	+1,100
Water Resources - Hydrologic Networks and Analysis .....	355	355	6,755	+6,400
Core Science Systems - National Cooperative Geologic Mapping.....	0	0	500	+500
Subtotal, U.S. Geological Survey .....	1,949	1,949	10,949	+9,000
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>42,720</b>	<b>71,803</b>	<b>69,807</b>	<b>-1,996</b>

<sup>1/</sup> The 2010 Enacted/2011 CR column shows 2011 President's budget figures for the Bureau of Reclamation. The column includes a balancing figure to account for the difference.

<sup>2/</sup> Cooperative Watershed Management and Water Conservation Field Services programs are incorporated into WaterSMART beginning in 2012.



# YOUTH IN THE GREAT OUTDOORS

(in thousands of dollars)

Bureau/Program	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>BUREAU OF LAND MANAGEMENT</b>				
Soil, Water and Air Management .....	3,611	3,611	3,611	0
Recreation Resource Management .....	4,009	4,009	4,009	0
National Fish and Wildlife Foundation.....	0	0	1,000	+1,000
Subtotal, Bureau of Land Management .....	7,620	7,620	8,620	+1,000
<b>U.S. GEOLOGICAL SURVEY <sup>1/</sup></b>				
Science Support.....	2,250	2,250	2,250	0
Enterprise Information.....	2,000	2,000	500	-1,500
National Cooperative Geologic Mapping-EDMAP.....	700	700	600	-100
Subtotal, U.S. Geological Survey .....	4,950	4,950	3,350	-1,600
<b>FISH AND WILDLIFE SERVICE</b>				
Refuges.....	4,000	4,000	6,000	+2,000
Fisheries.....	3,700	3,700	3,700	0
Ecological Services.....	29	29	29	0
Migratory Bird Management .....	1,024	1,024	524	-500
National Conservation Training Center .....	4,400	4,400	4,400	0
National Fish and Wildlife Foundation.....	0	0	1,000	+1,000
Subtotal, Fish and Wildlife Service.....	13,153	13,153	15,653	+2,500
<b>NATIONAL PARK SERVICE <sup>2/</sup></b>				
Operation of the National Park System.....	13,523	13,523	19,190	+5,667
Recreational Fee Program.....	[4,400]	[4,400]	[4,400]	[0]
Subtotal, National Park Service .....	13,523	13,523	19,190	+5,667
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>39,246</b>	<b>39,246</b>	<b>46,813</b>	<b>+7,567</b>

<sup>1/</sup> Funding totals differ from previously published reports. The U.S. Geological Survey has expanded its definition of youth programs to include EDMAP.

<sup>2/</sup> Funding totals differ from previously published reports. The National Park Service has expanded its definition of youth programs to include youth engagement activities.



# LAND AND WATER CONSERVATION FUND

(in thousands of dollars)

Bureau/Account/Activity	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>FEDERAL LAND ACQUISITION</b>				
Department of the Interior				
Bureau of Land Management .....	29,650	29,650	50,000	+20,350
Fish and Wildlife Service.....	86,340	86,340	140,000	+53,660
National Park Service.....	86,266	86,266	160,000	+73,734
Interior Office of Valuation Services.....	12,136	12,136	25,000	+12,864
Subtotal, Department of the Interior.....	214,392	214,392	375,000	+160,608
Department of Agriculture				
Forest Service .....	63,522	63,522	90,000	+26,478
<b>TOTAL, FEDERAL LAND ACQUISITION .....</b>	<b>277,914</b>	<b>277,914</b>	<b>465,000</b>	<b>+187,086</b>
<b>OTHER CONSERVATION GRANTS</b>				
Department of the Interior				
FWS Cooperative Endangered Species				
Conservation Fund <sup>1/</sup> .....	56,000	56,000	100,000	+44,000
NPS State Grants - Discretionary <sup>2/</sup> .....	40,000	40,000	200,000	+160,000
Subtotal, Department of the Interior.....	96,000	96,000	300,000	+204,000
Department of Agriculture				
FS Forest Legacy .....	76,460	76,460	135,000	+58,540
<b>TOTAL, OTHER CONSERVATION GRANTS .....</b>	<b>172,460</b>	<b>172,460</b>	<b>435,000</b>	<b>+262,540</b>
<b>TOTAL, LAND AND WATER CONSERVATION FUND.....</b>	<b>450,374</b>	<b>450,374</b>	<b>900,000</b>	<b>+449,626</b>
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>310,392</b>	<b>310,392</b>	<b>675,000</b>	<b>+364,608</b>
<b>TOTAL, DEPARTMENT OF AGRICULTURE.....</b>	<b>139,982</b>	<b>139,982</b>	<b>225,000</b>	<b>+85,018</b>

<sup>1/</sup> The 2010 and 2011 amounts include only the funding that is appropriated by Congress from the LWCF. The 2012 budget proposes to fund all of the CESCF from LWCF.

<sup>2/</sup> Excludes mandatory appropriations from revenues generated by leasing activities on the Outer Continental Shelf and paid into the LWCF.



# LAND ACQUISITION PROGRAM

## LAND AND WATER CONSERVATION FUND

(in thousands of dollars)

Bureau/State/Project	Acres	2012 Request
<b>BUREAU OF LAND MANAGEMENT</b>		
<b>Arizona</b>		
San Pedro Riparian National Conservation Area .....	800	1,000
<b>California</b>		
California Wilderness .....	10,800	4,820
Carrizo Plain National Monument .....	400	500
Merced National Wild and Scenic River .....	122	600
Panoche-Coalinga Area of Critical Environmental Concern .....	6,615	3,000
Santa Rosa and San Jacinto Mountains National Monument .....	160	1,200
Trinity National Wild and Scenic River .....	8	500
Upper Sacramento River Area of Critical Environmental Concern .....	500	1,000
Subtotal .....		11,620
<b>Colorado</b>		
Blanca Wetlands Area of Critical Environmental Concern.	4,682	2,000
Dominguez-Escalante National Conservation Area .....	403	3,500
Gunnison Gorge National Conservation Area .....	188	2,700
Subtotal .....		8,200
<b>Idaho</b>		
Upper Salmon River Special Recreation Management Area .....	127	600
Upper Snake/South Fork Snake River Area of Critical Environmental Concern/Special Recreation Management Area .....	3,045	6,000
Subtotal .....		6,600
<b>Montana</b>		
Blackfoot River Special Recreation Management Area .....	4,312	4,700
<b>New Mexico</b>		
Rio Grande National Wild and Scenic River .....	60	1,000
<b>Oregon</b>		
Cascade-Siskiyou National Monument .....	4,080	6,000
Sandy River Area of Critical Environmental Concern/ Oregon National Historic Trail .....	345	3,500
Subtotal .....		9,500
<b>Wyoming</b>		
North Platte River Special Recreation Management Area..	123	1,000
Sheep Mountain Area of Critical Environmental Concern	1,828	3,000
Subtotal .....		4,000
Subtotal, BLM line-item projects .....		46,620

## APPENDIX G

### LAND ACQUISITION PROGRAM LAND AND WATER CONSERVATION FUND

(in thousands of dollars)

State/Project	Acres	2012 Request
Acquisition Management .....		1,880
Emergencies, Inholdings, and Hardships .....		1,500
<b>Subtotal, Bureau of Land Management.....</b>		<b>50,000</b>
<b>FISH AND WILDLIFE SERVICE</b>		
<b>Alabama</b>		
Cahaba River National Wildlife Refuge .....	500	1,000
<b>Alaska</b>		
Alaska Maritime National Wildlife Refuge .....	613	400
Innoko National Wildlife Refuge.....	480	300
Kanuti National Wildlife Refuge .....	600	300
Togiak National Wildlife Refuge .....	720	1,200
Yukon Delta National Wildlife Refuge .....	1,000	500
Yukon Flats National Wildlife Refuge .....	1,200	600
<b>Subtotal .....</b>		<b>3,300</b>
<b>Arkansas</b>		
Cache River National Wildlife Refuge.....	1,700	4,250
<b>California</b>		
Grasslands Wildlife Management Area.....	1,415	3,040
Humboldt Bay National Wildlife Refuge.....	335	2,500
Sacramento River National Wildlife Refuge.....	225	2,500
San Diego National Wildlife Refuge .....	120	2,000
San Joaquin River National Wildlife Refuge .....	482	4,000
San Pablo Bay National Wildlife Refuge .....	525	2,500
Stone Lakes National Wildlife Refuge.....	112	500
Tulare Basin Wildlife Management Area.....	1,000	2,000
<b>Subtotal .....</b>		<b>19,040</b>
<b>Colorado</b>		
Arapaho National Wildlife Refuge.....	700	500
<b>Florida</b>		
Lower Suwannee National Wildlife Refuge .....	667	1,000
St. Marks National Wildlife Refuge .....	2,350	4,000
St. Vincent National Wildlife Refuge .....	5	1,350
<b>Subtotal .....</b>		<b>6,350</b>
<b>Georgia</b>		
Savannah National Wildlife Refuge.....	100	1,250
<b>Hawaii</b>		
Hakalau Forest National Wildlife Refuge .....	4,900	3,713
<b>Illinois</b>		
Cypress Creek National Wildlife Refuge .....	375	700

**LAND ACQUISITION PROGRAM  
LAND AND WATER CONSERVATION FUND**

(in thousands of dollars)

<b>State/Project</b>	<b>Acres</b>	<b>2012 Request</b>
<b>Indiana</b>		
Patoka River National Wildlife Refuge .....	585	900
<b>Iowa</b>		
Upper Mississippi River National Wildlife and Fish Refuge.....	690	2,750
<b>Kansas</b>		
Flint Hills Legacy Conservation Area.....	16,667	5,000
<b>Louisiana</b>		
Bayou Teche National Wildlife Refuge.....	415	500
<b>Maine</b>		
Rachel Carson National Wildlife Refuge.....	116	750
<b>Maryland</b>		
Blackwater National Wildlife Refuge .....	722	1,500
<b>Minnesota</b>		
Crane Meadows National Wildlife Refuge .....	230	500
<b>Missouri</b>		
Big Muddy National Fish and Wildlife Refuge.....	193	387
Middle Mississippi River National Wildlife Refuge.....	175	700
Subtotal .....		1,087
<b>Montana</b>		
Red Rock Lakes National Wildlife Refuge.....	300	1,500
Rocky Mountain Front Conservation Area.....	19,277	8,000
Subtotal .....		9,500
<b>New Jersey</b>		
Edwin B. Forsythe National Wildlife Refuge.....	42	500
<b>North Carolina</b>		
Alligator River National Wildlife Refuge.....	1,194	1,000
<b>North Dakota</b>		
North Dakota Wildlife Management Area.....	4,615	1,500
<b>Ohio</b>		
Ottawa National Wildlife Refuge .....	135	500
<b>Oregon</b>		
Nestucca Bay National Wildlife Refuge .....	271	2,000
Tualatin River National Wildlife Refuge .....	150	750
Subtotal .....		2,750

**LAND ACQUISITION PROGRAM  
LAND AND WATER CONSERVATION FUND**

State/Project	Acres	2012 Request
<b>(in thousands of dollars)</b>		
<b>Pennsylvania</b>		
Cherry Valley National Wildlife Refuge.....	86	500
<b>South Carolina</b>		
Cape Romain National Wildlife Refuge .....	110	750
Ernest F. Hollings ACE Basin National Wildlife Refuge.....	582	750
Waccamaw National Wildlife Refuge .....	500	<u>1,000</u>
Subtotal .....		2,500
<b>South Dakota</b>		
Dakota Tallgrass Prairie Wildlife Management Area .....	3,333	1,500
<b>Tennessee</b>		
Chickasaw National Wildlife Refuge.....	285	1,000
Lower Hatchie National Wildlife Refuge.....	333	<u>1,000</u>
Subtotal .....		2,000
<b>Texas</b>		
Anahuac National Wildlife Refuge .....	3,333	1,000
Balcones Canyonlands National Wildlife Refuge .....	523	2,250
Laguna Atascosa National Wildlife Refuge .....	343	1,200
Lower Rio Grande Valley National Wildlife Refuge .....	1,500	2,565
Neches River National Wildlife Refuge.....	6,688	11,000
San Bernard National Wildlife Refuge .....	906	1,400
Trinity River National Wildlife Refuge.....	550	<u>500</u>
Subtotal .....		19,915
<b>Utah</b>		
Bear River Migratory Bird Refuge.....	466	1,400
<b>Virginia</b>		
Rappahannock River National Wildlife Refuge.....	125	335
<b>Washington</b>		
Nisqually National Wildlife Refuge.....	270	1,500
Turnbull National Wildlife Refuge.....	250	500
Willapa National Wildlife Refuge .....	170	<u>500</u>
Subtotal .....		2,500
<b>Multi-State</b>		
Highlands Conservation (CT/NJ/NY/PA).....	0	5,000
Northern Tallgrass Prairie National Wildlife Refuge (IA/MN).....	750	1,500
Silvio O. Conte National Wildlife Refuge (CT/MA/NH/VT) .....	812	6,500
Umbagog National Wildlife Refuge (NH/ME).....	2,717	<u>1,500</u>
Subtotal .....		14,500
Subtotal, FWS line-item acquisition.....		113,990

**LAND ACQUISITION PROGRAM  
LAND AND WATER CONSERVATION FUND**

(in thousands of dollars)

<b>State/Project</b>	<b>Acres</b>	<b>2012 Request</b>
Acquisition Management .....		13,570
Land Protection Planning .....		3,440
User-Pay Cost Share .....		2,000
Inholdings, Emergencies, and Hardships .....		5,000
Exchanges .....		2,000
<b>Subtotal, Fish and Wildlife Service.....</b>		<b>140,000</b>
<b>NATIONAL PARK SERVICE</b>		
<b>Alabama</b>		
Little River Canyon National Preserve.....	14	327
<b>Alaska</b>		
Katmai National Park and Preserve.....	6,932	2,545
<b>Arizona</b>		
Petrified Forest National Park.....	26,496	5,475
<b>California</b>		
Golden Gate National Recreation Area .....	56	1,020
Santa Monica Mountains National Recreation Area .....	350	3,044
Subtotal .....		4,064
<b>Colorado</b>		
Colorado National Monument .....	2	282
Great Sand Dunes National Park and Preserve .....	17,000	6,500
Subtotal .....		6,782
<b>Florida</b>		
Big Cypress National Preserve .....	43,000	5,560
Everglades National Park.....	477	25,000
Subtotal .....		30,560
<b>Georgia</b>		
Chattahoochee River National Recreation Area.....	44	1,775
Kennesaw Mountain National Battlefield Park.....	16	2,772
Subtotal .....		4,547
<b>Hawaii</b>		
Haleakala National Park.....	135	100
<b>Idaho</b>		
City of Rocks National Reserve .....	878	2,000
<b>Maine</b>		
Acadia National Park .....	37	3,040
<b>Maryland</b>		
Piscataway Park .....	7	800

**LAND ACQUISITION PROGRAM  
LAND AND WATER CONSERVATION FUND**

		(in thousands of dollars)	2012 Request
State/Project		Acres	
<b>Michigan</b>			
Sleeping Bear Dunes National Lakeshore .....	169	3,640	
<b>Minnesota</b>			
Voyagers National Park .....	61	1,555	
<b>Montana</b>			
Glacier National Park.....	120	1,223	
<b>New Mexico</b>			
Pecos National Historical Park.....	9	806	
<b>North Carolina</b>			
Guilford Courthouse National Military Park.....	2	603	
<b>North Dakota</b>			
Theodore Roosevelt National Park .....	176	249	
<b>Ohio</b>			
Hopewell Culture National Historical Park .....	430	1,400	
<b>South Dakota</b>			
Wind Cave National Park.....	NA	1,245	
<b>Texas</b>			
Palo Alto Battlefield National Historical Park.....	34	3,500	
San Antonio Missions National Historical Park.....	13	1,170	
Subtotal .....		<u>4,670</u>	
<b>Vermont</b>			
Appalachian National Scenic Trail .....	1,081	1,750	
<b>Virgin Islands</b>			
Virgin Islands National Park.....	5	5,000	
<b>Virginia</b>			
Richmond National Battlefield Park .....	595	2,555	
<b>Washington</b>			
Ebey's Landing National Historical Reserve.....	300	1,500	
Olympic National Park .....	3	3,551	
Subtotal .....		<u>5,051</u>	
<b>Wisconsin</b>			
Ice Age National Scenic Trail.....	181	3,772	
St. Croix National Scenic River.....	109	215	
Subtotal .....		<u>3,987</u>	

**LAND ACQUISITION PROGRAM  
LAND AND WATER CONSERVATION FUND**

State/Project	Acres	2012 Request
<b>Wyoming</b>		
Grand Teton National Park		
Snake River Entrance.....	18	5,027
Wyoming State School Land Inholdings .....	53	10,000
Subtotal .....		15,027
Subtotal, NPS line-item acquisition.....		109,000
Federal Land Acquisition Administration .....		12,000
Emergency, Hardship, Relocation .....		12,000
Inholdings, Donations and Exchanges .....		17,000
American Battlefield Protection Program Acquisition Grants.....		10,000
Subtotal, National Park Service .....		160,000
<b>OFFICE OF THE SECRETARY</b>		
Office of Valuation Services.....		25,000
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>		<b>375,000</b>



# CHESAPEAKE BAY INITIATIVE

(in thousands of dollars)

Bureau/Account/Activity	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>U.S. GEOLOGICAL SURVEY</b>				
Surveys, Investigations, and Research				
Ecosystems				
Fisheries: Aquatic and Endangered Resources....	308	308	308	0
Wildlife: Terrestrial and Endangered Resources..	204	204	204	0
Terrestrial Freshwater and Marine Environment	1,456	1,456	6,070	+4,614
Climate Change and Land Use Change				
Research and Development.....	808	808	808	0
Land Remote Sensing .....	110	110	110	0
Geographic Analysis and Monitoring.....	320	320	320	0
Energy, Minerals and Environmental Health				
Toxic Substances Hydrology .....	40	40	40	0
Contaminants.....	183	183	183	0
Natural Hazards				
Coastal and Marine Geology .....	218	218	218	0
Water Resources				
National Water Quality Assessment.....	216	216	216	0
National Streamflow Information Program .....	189	189	189	0
Hydrologic Networks and Analysis.....	186	186	186	0
Cooperative Water Program .....	634	634	634	0
Subtotal, U.S. Geological Survey .....	4,872	4,872	9,486	+4,614
<b>FISH AND WILDLIFE SERVICE</b>				
Resource Management				
Ecological Services				
Endangered Species				
Consultation .....	173	173	173	0
Recovery.....	86	86	86	0
Candidate Conservation .....	2	2	2	0
Habitat Conservation				
Partners for Fish and Wildlife .....	801	801	1,201	+400
Conservation Planning Assistance.....	256	256	256	0
Coastal Program.....	253	253	753	+500
Environmental Contaminants .....	41	41	221	+180
National Wildlife Refuge System Operations and Maintenance				
National Wildlife Refuge System Operations .....	4,276	4,276	6,096	+1,820
National Wildlife Refuge System Maintenance...	2,402	2,402	2,402	0
Migratory Birds, Law Enforcement and International Affairs				
Migratory Bird Management.....	28	28	413	+385
Law Enforcement Operations.....	0	0	140	+140
Fisheries and Aquatic Resource Conservation				
National Fish Hatchery Operations.....	207	207	207	0
Maintenance and Equipment .....	109	109	109	0
Aquatic Habitat and Species Conservation				
Habitat Assessment and Restoration .....	103	103	1,533	+1,430
Population Assessment and Cooperative Management.....	108	108	108	0
Aquatic Invasive Species Control.....	3	3	148	+145
General Operations .....	14	14	14	0
Subtotal, Resource Management.....	8,862	8,862	13,862	+5,000

## APPENDIX H

### CHESAPEAKE BAY INITIATIVE (in thousands of dollars)

Bureau/Account/Activity	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>FISH AND WILDLIFE SERVICE (continued)</b>				
Construction.....	143	143	143	0
Natural Resource Damage Assessment .....	121	121	121	0
Receipts and Transfers.....	123	123	123	0
Reimbursable Work Supporting the Bay .....	913	913	913	0
Subtotal, Fish and Wildlife Service.....	10,162	10,162	15,162	+5,000
<b>NATIONAL PARK SERVICE</b>				
Operation of the National Park System				
National Trails				
Capt. John Smith Chesapeake NHT .....	381	381	373	-8
Potomac Heritage NST .....	402	402	398	-4
Star Spangled Banner NHT .....	150	150	148	-2
Field Offices and Associated Areas				
Chesapeake Bay Project Office .....	496	496	964	+468
Other Park Management.....	435	435	1,117	+682
Subtotal, Operation of the National Park System.....	1,864	1,864	3,000	+1,136
National Recreation and Preservation				
Natural Programs				
Rivers, Trails, and Conservation Assistance.....	214	214	214	0
Chesapeake Bay Gateways and Water Trails .....	0	0	2,000	+2,000
Statutory Aid				
Chesapeake Bay Gateways and Water Trails .....	1,000	1,000	0	-1,000
Star Spangled Banner NHT .....	500	500	0	-500
Subtotal, National Recreation and Preservation.....	1,714	1,714	2,214	+500
Construction				
Management Planning.....	423	423	779	+356
Land Acquisition and State Assistance				
Federal.....	2,440	0	800	+800
State Grants .....	2,246	2,246	2,246	0
Subtotal, Land and Acquisition and State Assistance.....	4,686	2,246	3,046	+800
Subtotal, National Park Service .....	8,687	6,247	9,039	+2,792
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>23,721</b>	<b>21,281</b>	<b>33,687</b>	<b>+12,406</b>

# GREAT LAKES RESTORATION

(in thousands of dollars)

Bureau/Account/Program Activity	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>U.S. GEOLOGICAL SURVEY</b>				
Biological Information Management and Delivery.....	78	78	78	0
Coastal and Marine Geology .....	600	600	600	0
Cooperative Water Program .....	2,741	2,741	2,741	0
Terrestrial, Freshwater, and Marine Environments.....	1,211	1,211	1,211	0
Fisheries: Aquatic and Endangered Resources .....	3,852	3,852	3,852	0
Ground Water Resources Program .....	10	10	10	0
National Water Quality Assessment Program .....	2,607	2,607	2,607	0
Status and Trends .....	3,617	3,617	3,617	0
Climate Change Research and Development.....	0	0	0	0
Invasive Species.....	503	503	4,003	+3,500
Wildlife: Terrestrial and Endangered Resources.....	26	26	26	0
National Streamflow Information Program .....	540	540	540	0
EPA Great Lakes Restoration Initiative <sup>1/</sup> .....	[23,177]	[11,044]	[9,989]	[-1,055]
Subtotal, U.S. Geological Survey .....	15,785	15,785	19,285	+3,500
<b>FISH AND WILDLIFE SERVICE</b>				
Clean Vessel Grant Program.....	1,000	1,000	1,000	0
Coastal Wetlands Grant Program .....	3,000	3,000	3,000	0
Endangered Species .....	3,000	3,000	3,000	0
Fire Management/Roads .....	2,000	2,000	2,000	0
Fish and Wildlife Management .....	4,000	4,000	4,000	0
Fish Hatcheries .....	5,000	5,000	5,000	0
Great Lakes Consent Decree .....	1,000	1,000	1,000	0
Great Lakes Fish and Wildlife Restoration .....	1,000	1,000	1,000	0
Aquatic Invasive Species (Asian Carp) .....	0	0	2,900	+2,900
Habitat Conservation .....	8,000	8,000	8,000	0
Law Enforcement .....	2,000	2,000	2,000	0
National Wildlife Refuge System .....	13,000	13,000	13,000	0
EPA Great Lakes Restoration Initiative <sup>1/</sup> .....	[69,020]	[49,446]	[32,203]	[-17,243]
Subtotal, Fish and Wildlife Service.....	43,000	43,000	45,900	+2,900
<b>NATIONAL PARK SERVICE</b>				
Competitive Park Projects - Water Management Plans ..	400	400	400	0
Operating Program .....	7,000	7,000	7,000	0
Vital Signs Water Quality Monitoring.....	300	300	300	0
EPA Great Lakes Restoration Initiative <sup>1/</sup> .....	[10,505]	[3,978]	[5,999]	[+2,021]
Subtotal, National Park Service .....	7,700	7,700	7,700	0
<b>BUREAU OF INDIAN AFFAIRS</b>				
EPA Great Lakes Restoration Initiative <sup>1/</sup> .....	[3,420]	[5,000]	[7,300]	[+2,300]
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>				
Total, EPA Great Lakes Restoration Initiative <sup>1/</sup> .....	[106,122]	[69,468]	[55,491]	[-13,977]
<b>66,485</b>	<b>66,485</b>	<b>72,885</b>	<b>+6,400</b>	

<sup>1/</sup> Funding for all Interior bureaus' Great Lakes Restoration Initiative projects is requested within the Environmental Protection Agency's budget. The 2012 total of \$55.5 million represents bureau project requests to EPA.



# EVERGLADES RESTORATION

(in thousands of dollars)

Bureau/Account/Program Activity	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>U.S. GEOLOGICAL SURVEY</b>				
Surveys, Investigations, and Research.....	6,907	6,907	6,907	0
<b>FISH AND WILDLIFE SERVICE</b>				
Resource Management				
Comprehensive Everglades Restoration				
Implementation .....	3,251	3,251	3,251	0
Ecological Services .....	2,475	2,475	4,250	+1,775
Refuges and Wildlife .....	4,022	4,022	4,022	0
Migratory Birds.....	99	99	99	0
Law Enforcement.....	609	609	609	0
Fisheries .....	92	92	92	0
Subtotal, Fish and Wildlife Service.....	10,548	10,548	12,323	+1,775
Comprehensive Everglades Restoration Plan				
Reimbursible Agreement from the U.S. Army				
Corps of Engineers.....	[3,000]	[3,000]	[3,000]	[0]
<b>NATIONAL PARK SERVICE</b>				
Operation of the National Park System				
Park Operations.....	31,400	31,400	31,415	+15
Comprehensive Everglades Restoration				
Implementation .....	4,789	4,789	4,698	-91
Comprehensive Everglades Restoration				
Implementation Rental Space.....	409	409	411	+2
Task Force .....	1,320	1,320	1,305	-15
Everglades Research.....	3,873	3,873	3,829	-44
Construction.....				
Modified Water Deliveries Project .....	8,400	8,000	8,000	0
Big Cypress Sustainable Trail System.....	0	3,559	2,673	-886
Land Acquisition				
Everglades National Park.....	0	0	25,000	+25,000
Big Cypress National Park and Preserve .....	0	0	5,560	+5,560
Everglades Acquisition Management.....	775	775	1,025	+250
Subtotal, National Park Service .....	50,966	54,125	83,916	+29,791
<b>BUREAU OF INDIAN AFFAIRS</b>				
Operation of Indian Programs				
Seminole and Miccosukee Tribal Water Studies .....	390	390	390	0
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>68,811</b>	<b>71,970</b>	<b>103,536</b>	<b>+31,566</b>



# OCEANS

(in thousands of dollars)

Bureau/Account/Activity	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT</b>				
Ocean Energy Management				
Outer Continental Shelf Lands .....	196,874	207,115	297,003	+89,888
General Administration.....	27,850	27,827	23,125	-4,702
Oil Spill Research.....	6,303	6,303	14,923	+8,620
Coastal Impact Assistance Program <sup>1/</sup> .....	250,000	0	0	0
Subtotal, Bureau of Ocean Energy Management, Regulation and Enforcement.....	481,027	241,245	335,051	+93,806
<b>U.S. GEOLOGICAL SURVEY</b>				
Surveys, Investigations, and Research				
Climate and Land Use Change.....	3,100	3,100	2,940	-160
Natural Hazards - Earthquake, Landslide, Global Seismographic Network .....	13,600	13,600	13,600	0
Natural Hazards - Coastal and Marine Geology .....	46,188	46,188	47,341	+1,153
Marine Spatial Planning .....	[0]	[0]	[4,500]	[+4,500]
Energy, Minerals, and Environmental Health.....	1,500	1,500	1,500	0
Water Resources .....	17,360	17,360	17,660	+300
Ecosystems .....	30,100	30,100	34,100	+4,000
Core Science Systems.....	0	0	300	+300
Subtotal, U.S. Geological Survey .....	111,848	111,848	117,441	+5,593
<b>FISH AND WILDLIFE SERVICE</b>				
Resource Management.....	195,950	195,950	206,590	+10,640
Sport Fish Restoration Account <sup>2/</sup> .....	31,182	30,379	31,167	+788
North American Wetlands Conservation Fund <sup>2/</sup> .....	18,121	17,655	18,113	+458
Cooperative Endangered Species Conservation Fund (Section 6) <sup>2/</sup> .....	600	600	708	+108
Subtotal, Fish and Wildlife Service.....	245,853	244,584	256,578	+11,994
<b>NATIONAL PARK SERVICE</b>				
Operation of the National Park System.....	79,690	79,690	83,310	+3,620
Everglades Restoration and Research.....	4,789	4,789	4,698	-91
Subtotal, National Park Service .....	84,479	84,479	88,008	+3,529
<b>DEPARTMENTAL OFFICES</b>				
Office of the Secretary				
Office of Natural Resources Revenue <sup>3/</sup> .....	44,687	60,551	73,951	+13,400
Office of Insular Affairs				
Assistance to Territories, Coral Reef Initiative .....	1,000	1,000	1,000	0
Subtotal, Departmental Offices .....	45,687	61,551	74,951	+13,400
<b>DEPARTMENT-WIDE PROGRAMS</b>				
Natural Resource Damage Assessment and Restoration <sup>4/</sup>				
Damage Assessments.....	2,056	1,600	1,600	0
Restoration Implementation .....	22,475	24,000	26,000	+2,000
Subtotal, Department-wide Programs .....	24,531	25,600	27,600	+2,000
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>993,425</b>	<b>769,307</b>	<b>899,629</b>	<b>+130,322</b>

# **OCEANS**

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- <sup>1</sup> The Coastal Impact Assistance Program is a mandatory grant program which was authorized by the Energy Policy Act of 2005 to disburse \$250.0 million from OCS oil and gas revenues each fiscal year 2007-2010 to producing States and coastal political subdivisions.
- <sup>2</sup> Grant amounts for 2011 and 2012 are estimates until awarded.
- <sup>3</sup> The Interior Department reorganized the revenue management functions of the former Minerals Management Service to the Office of Natural Resources Revenue within the Office of the Secretary. Approximately half of the total funding for ONRR is related to the OCS.
- <sup>4</sup> The 2011 and 2012 figures are estimates as of January 2011. Restoration implementation is funded by mandatory receipts from legal settlements.

# INVASIVE SPECIES

(in thousands of dollars)

Bureau	2010 Actual	2010 Enacted/ 2011 CR <sup>1/</sup>	2012 Request	Change
<b>BUREAU OF LAND MANAGEMENT</b>				
Prevention .....	2,059	2,059	1,959	-100
Early Detection/Rapid Response .....	1,963	1,963	1,863	-100
Control and Management .....	5,716	5,716	5,516	-200
Restoration .....	1,074	1,074	974	-100
Education and Public Awareness.....	250	250	210	-40
Leadership/International Cooperation .....	706	706	656	-50
Subtotal, Bureau of Land Management .....	11,768	11,768	11,178	-590
<b>BUREAU OF RECLAMATION</b>				
Prevention .....	284	124	239	+115
Early Detection/Rapid Response .....	769	482	609	+127
Control and Management .....	973	751	2,076	+1,325
Restoration .....	5	15	32	+17
Research.....	1,331	1,351	1,785	+434
Education and Public Awareness.....	14	23	36	+13
Leadership/International Cooperation .....	365	48	68	+20
Subtotal, Bureau of Reclamation.....	3,741	2,794	4,845	+2,051
Adjustment for CR.....	[0]	[+947]	[0]	[-947]
Subtotal, Bureau of Reclamation ( <i>adjusted for CR</i> ).....	[3,741]	[3,741]	[4,845]	[+1,104]
<b>U.S. GEOLOGICAL SURVEY <sup>2/</sup></b>				
Early Detection/Rapid Response .....	2,043	2,043	1,143	-900
Research.....	9,601	9,601	13,101	+3,500
Subtotal, U.S. Geological Survey .....	11,644	11,644	14,244	+2,600
<b>FISH AND WILDLIFE SERVICE</b>				
Prevention .....	3,761	3,761	5,767	+2,006
Early Detection/Rapid Response .....	3,304	3,304	3,220	-84
Control and Management .....	12,132	12,132	11,201	-931
Restoration .....	9,681	9,681	8,181	-1,500
Subtotal, Fish and Wildlife Service.....	28,878	28,878	28,369	-509
<b>NATIONAL PARK SERVICE</b>				
Control and Management .....	39,294	39,294	41,181	+1,887
<b>BUREAU OF INDIAN AFFAIRS</b>				
Prevention .....	54	54	58	+4
Early Detection/Rapid Response .....	100	100	200	+100
Control and Management .....	2,600	2,600	2,919	+319
Restoration .....	150	150	200	+50
Research.....	120	120	90	-30
Subtotal, Bureau of Indian Affairs.....	3,024	3,024	3,467	+443
<b>OFFICE OF INSULAR AFFAIRS</b>				
Prevention .....	824	824	845	+21
Early Detection/Rapid Response .....	418	418	385	-33
Control and Management .....	654	654	710	+56
Restoration .....	226	226	215	-11
Research.....	800	800	750	-50
Education and Public Awareness.....	29	29	40	+11
Leadership/International Cooperation .....	49	49	55	+6
Subtotal, Office of Insular Affairs .....	3,000	3,000	3,000	+0
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>101,349</b>	<b>100,402</b>	<b>106,284</b>	<b>+5,882</b>

# INVASIVE SPECIES

(in thousands of dollars)

Bureau	2010 Actual	2010 Enacted/ 2011 CR <sup>1/</sup>	2012 Request	Change
<b>SUMMARY BY CATEGORY</b>				
Prevention .....	6,982	6,822	8,868	+2,046
Early Detection/Rapid Response .....	8,597	8,310	7,420	-890
Control and Management .....	61,369	61,147	63,603	+2,456
Restoration .....	11,136	11,146	9,602	-1,544
Research .....	11,852	11,872	15,726	+3,854
Education and Public Awareness.....	293	302	286	-16
Leadership/International Cooperation .....	1,120	803	779	-24
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>101,349</b>	<b>100,402</b>	<b>106,284</b>	<b>+5,882</b>

<sup>1/</sup> The 2010 Enacted/2011 CR column shows 2011 President's budget figures for the Bureau of Reclamation. The column includes a balancing figure to account for the difference.

<sup>2/</sup> The USGS totals include activities in the Invasive Species subactivity and in other activities within the Ecosystems mission area.

# MAINTAINING AMERICA'S HERITAGE

(in thousands of dollars)

Bureau/Account	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>MAINTENANCE</b>				
Bureau of Land Management				
Management of Land and Resources .....	73,155	73,155	71,234	-1,921
Oregon and California Grant Lands.....	11,202	11,202	11,002	-200
National Landscape Conservation System.....	1,754	1,754	1,754	0
Subtotal, Bureau of Land Management .....	86,111	86,111	83,990	-2,121
U.S. Geological Survey				
Surveys, Investigations, and Research .....	31,097	31,097	30,407	-690
Fish and Wildlife Service				
Resource Management.....	162,001	162,001	159,784	-2,217
National Park Service				
Operation of the National Park System .....	713,305	698,771	685,864	-12,907
Indian Affairs <sup>1/</sup>				
Operation of Indian Programs.....	84,219	84,219	141,152	+56,933
Department-wide Programs				
Wildland Fire Management .....	6,137	6,137	6,137	0
<b>SUBTOTAL, MAINTENANCE .....</b>	<b>1,082,870</b>	<b>1,068,336</b>	<b>1,107,334</b>	<b>+38,998</b>
<b>CONSTRUCTION</b>				
Bureau of Land Management.....	8,626	8,626	3,576	-5,050
U.S. Geological Survey .....	0	0	2,500	+2,500
Fish and Wildlife Service <sup>2/</sup> .....	34,439	37,439	23,088	-14,351
National Park Service <sup>2/</sup> .....	234,148	232,969	152,121	-80,848
Indian Affairs <sup>1/</sup> .....	225,000	225,000	104,992	-120,008
<b>Subtotal, CONSTRUCTION.....</b>	<b>502,213</b>	<b>504,034</b>	<b>286,277</b>	<b>-217,757</b>
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>1,585,083</b>	<b>1,572,370</b>	<b>1,393,611</b>	<b>-178,759</b>
<b>TOTALS BY BUREAU</b>				
Bureau of Land Management.....	94,737	94,737	87,566	-7,171
U.S. Geological Survey .....	31,097	31,097	32,907	+1,810
Fish and Wildlife Service.....	196,440	199,440	182,872	-16,568
National Park Service .....	947,453	931,740	837,985	-93,755
Indian Affairs .....	309,219	309,219	246,144	-63,075
Department-wide Programs, Wildland Fire.....	6,137	6,137	6,137	0
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>1,585,083</b>	<b>1,572,370</b>	<b>1,393,611</b>	<b>-178,759</b>

<sup>1/</sup> For 2012, Indian Affairs moved \$57.3 million in facilities operation and maintenance from the construction account to the Operation of Indian Programs account.

<sup>2/</sup> For 2010, FWS and NPS construction reflects rescissions of prior year balances from hurricane supplementals.



# CONSTRUCTION PROGRAM

## INTERIOR, ENVIRONMENT, AND RELATED AGENCIES

(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2011 <sup>1/</sup>	2012 Request
<b>BUREAU OF LAND MANAGEMENT</b>			
<b>Arizona</b>			
Aravaipa West Ranger Station Install Brandenburg Ranger Station Solar Power, Phase I.	138	0	16
Historic Empire Ranch Complex Install Solar Power, Phase I.	184	0	22
Historic San Pedro House Improve Solar Power, Phase I.	115	0	14
<b>Colorado</b>			
Gunnison Gorge National Conservation Area National Land Conservation System - South River Road Provide human waste abatement.	83	0	83
<b>Nevada</b>			
Mount Irish Archeological/Recreation Site Protect rock art project.	165	0	165
<b>New Mexico</b>			
Lake Valley Recreation Area Install renewable energy at Lake Valley.	128	0	128
Three Rivers Recreation Site Install alternative energy.	128	0	128
<b>Oregon</b>			
Various Vale Communication Sites Upgrade communication sites.	562	0	562
<b>Utah</b>			
Green River Desilt pond improvements, Phase II.	1,262	190	1,072
<b>Multi-State</b>			
Implement various disposal actions.	1,096	0	1,096
<b>Bureau-wide</b>			
Architectural and Engineering Services Provide for the completion of survey and design work, final project design, and initial contact development for construction projects within the BLM Five-Year Plan.	-	-	290
<b>TOTAL, BUREAU OF LAND MANAGEMENT</b>			<b>3,576</b>

## APPENDIX N

### CONSTRUCTION PROGRAM INTERIOR, ENVIRONMENT, AND RELATED AGENCIES (in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2011 <sup>1/</sup>	2012 Request
<b>U. S. GEOLOGICAL SURVEY</b>			
Washington	5,100	0	2,500
Produce architectural and engineering design specifications for the construction of a Leadership in Energy and Environmental Design certified laboratory building.			
<b>TOTAL, U.S. GEOLOGICAL SURVEY</b>			<b>2,500</b>
<b>FISH AND WILDLIFE SERVICE</b>			
<b>California</b>			
San Pablo Bay National Wildlife Refuge	9,706	0	4,249
Rehabilitate levee to restore tidal flow.			
<b>Colorado</b>			
National Black-footed Ferret Conservation Center	365	0	365
Rehabilitate water supply system.			
<b>Illinois</b>			
Crab Orchard National Wildlife Refuge	1,048	0	1,000
Repair three hazardous dams.			
<b>Michigan</b>			
Jordan River National Fish Hatchery	2,686	0	2,686
Construct whitefish production infrastructure.			
<b>Minnesota</b>			
Fergus Falls Wetland Management District	1,223	175	1,000
Repair Stang Lake Dam.			
<b>Servicewide</b>			
National Wildlife Refuge System			
Demolish and dispose of excess property.	—	—	2,000
National Fish Hatchery System			
Demolish and dispose of excess property.	—	—	410
Construct renewable energy system.	—	—	439
Dam Safety Program and Inspections	—	—	1,115
Bridge Safety Program and Inspections	—	—	740
Core Engineering Services	—	—	5,408
Seismic Safety Program	—	—	120
Environmental Compliance Management	—	—	1,000
Waste Prevention, Recycling, and Environmental Management Systems	—	—	100
User Cost Share	—	—	2,456
Subtotal, Servicewide			13,788
<b>TOTAL, FISH AND WILDLIFE SERVICE</b>			<b>23,088</b>

**CONSTRUCTION PROGRAM**  
**INTERIOR, ENVIRONMENT, AND RELATED AGENCIES**  
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2011 <sup>1/</sup>	2012 Request
<b>NATIONAL PARK SERVICE</b>			
<b>Alaska</b>			
Wrangell-St. Elias National Park and Preserve Correct critical life/health/safety issues at Kennecott Mine structures, Phase I.	17,374	240	4,357
<b>California</b>			
Sequoia and Kings Canyon National Parks Reconstruct deteriorated water distribution system at Wolverton.	4,307	252	4,055
<b>District of Columbia</b>			
National Mall and Memorial Parks Perform critical life/health/safety repairs to the World War II Memorial.	3,318	0	3,318
<b>Florida</b>			
Big Cypress National Preserve Stabilize and construct off-road vehicle trails, Phase II.	16,252	9,371	2,673
Everglades National Park Continue with the modified water deliveries project.	406,877	398,877	8,000
<b>Hawaii</b>			
Kalaupapa National Historical Park Make critical repairs to dock structures to ensure continued operation of the park.	7,565	2,015	5,550
<b>New Mexico</b>			
Carlsbad Caverns National Park Replace old and unsafe lighting and electrical system in the cave.	9,355	479	8,876
<b>New York</b>			
Sagamore Hill National Historic Site Rehabilitate Theodore Roosevelt home.	6,620	753	5,867
<b>North Carolina</b>			
Cape Hatteras National Seashore Complete preservation and rehabilitation of the Bodie Island Lighthouse.	6,576	3,612	2,964
Great Smoky Mountains National Park Fund North Shore Road settlement.	52,000	16,800	4,000

## APPENDIX N

**CONSTRUCTION PROGRAM  
INTERIOR, ENVIRONMENT, AND RELATED AGENCIES  
(in thousands of dollars)**

Bureau/State/Project	Estimated Cost	Through 2011 <sup>1/</sup>	2012 Request
<b>Pennsylvania</b>			
Delaware Water Gap National Recreation Area Demolish and remove hazardous structures, Phase II.	3,880	2,553	1,327
Independence National Historical Park Improve public safety by stabilizing and resecuring cornices and capitals of Merchant's Exchange.	2,842	153	2,689
<b>Virginia</b>			
Shenandoah National Park Rehabilitate historic Skyline Drive overlooks.	12,007	8,090	3,917
<b>Washington</b>			
Olympic National Park Continue ongoing restoration of the Elwha River ecosystem.	314,418	289,581	12,754
<b>Servicewide</b>			
Special Programs			
Emergency/Unscheduled	—	—	3,861
Housing Replacement	—	—	2,965
Dam Safety	—	—	1,250
Equipment Replacement	—	—	13,750
Subtotal, Special Programs			21,826
Construction Planning	—	—	7,712
Construction Program Management and Operations	—	—	37,590
Management Planning	—	—	14,646
<b>TOTAL, NATIONAL PARK SERVICE</b>			<b>152,121</b>
<b>INDIAN AFFAIRS</b>			
<i>Education Construction</i>			
<b>Employee Housing Repair</b>			4,435
Repair critical life safety deficiencies in employee housing.			
Multiple Facilities		2/	
Demolition		2/	
<b>Facilities Improvement and Repair</b>			47,669
Repair critical life safety items, consolidate or close under-utilized facilities, and repair education facilities for BIE-funded schools.			

**CONSTRUCTION PROGRAM**  
**INTERIOR, ENVIRONMENT, AND RELATED AGENCIES**  
(in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2011 <sup>1/</sup>	2012 Request
Program Management		2/	
Special Programs		2/	
<i>Subtotal, Education Construction</i>		<i>52,104</i>	
<b><i>Public Safety and Justice Construction</i></b>			
<b>Facilities Improvement and Repair</b>			
Address detention facilities improvement and repair needs, with emphasis on critical health and safety items identified in safety reports.			
Minor Improvement and Repair	2,206		
Condition Assessments	300		
Emergency Repair	370		
Environmental Projects	547		
Portable Offices for Law Enforcement	961		
<b>Detention Center Employee Housing</b>			
Construct New Employee Housing	3,000		
Advance Planning and Design	500		
<b>Fire Protection and Safety Coordination</b>			
Procure fire trucks and equipment. Install fire sprinklers and fire and smoke alarms in dormitories, detention centers, and other buildings.			
Fire Protection	3,279		
Fire Safety Coordination	166		
<i>Subtotal, Public Safety and Justice Construction</i>		<i>11,329</i>	
<b><i>Resources Management Construction</i></b>			
<b>Irrigation Project Construction</b>			
<b>New Mexico</b>			
Navajo Indian Irrigation Project	3,389		
<b>Multiple States</b>			
Irrigation Projects - Rehabilitation	1,000		
Engineering and Supervision	2,085		
Survey and Design	292		
Federal Power Compliance (FERC)	650		

## APPENDIX N

### CONSTRUCTION PROGRAM INTERIOR, ENVIRONMENT, AND RELATED AGENCIES (in thousands of dollars)

Bureau/State/Project	Estimated Cost	Through 2011 <sup>1/</sup>	2012 Request
<b>Safety of Dams Projects</b>			12,150
Rehabilitation - Expedited Actions.			
<b>Arizona</b>			2/
Davis Hawley Dam			2/
<b>Montana</b>			2/
Crow Dam			2/
Hell Roaring Dam			2/
<b>New Mexico</b>			2/
Red Lake Dam			2/
<b>North Dakota</b>			2/
Gordon Dam			2/
<b>South Dakota</b>			2/
Antelope			2/
South Okreek			2/
Expedited Issues - Mitigation of High Risks			
Failure Modes		1,355	
Issues Evaluations		1,250	
Security		300	
Emergency Management Systems		2,950	
Safety of Dams Inspections/Evaluations		2,850	
Program Coordination		2,834	
Dam Maintenance		1,907	
<i>Subtotal, Resources Management Construction</i>		33,012	
<b>Other Program Construction, Improvement, and Repair</b>			
Telecommunications Improvement and Repair		862	
Facilities Quarters Improvement and Repair		1,173	
Condition Assessments		2/	
Emergency Repair		2/	
Environmental Projects		2/	
Minor Improvement and Repairs		2/	
<b>Construction Program Management</b>		6,512	
Program Management		2/	
Facilities Management Information System		2/	
Building Management		2/	
<i>Subtotal, Other Program Construction, Improvement, and Repair</i>		8,547	
<b>TOTAL, INDIAN AFFAIRS</b>		104,992	

**CONSTRUCTION PROGRAM  
ENERGY AND WATER DEVELOPMENT  
(in thousands of dollars)**

Bureau/State/Project	Estimated Cost	Through 2011 <sup>1/</sup>	2012 Request
<b>BUREAU OF RECLAMATION<sup>3/</sup></b>			
<b>Arizona</b>			
Colorado River Front Work and Levee System	261	72	177
Colorado River Backwater A7			
Colorado River Front Work and Levee System	233	33	155
Colorado River Backwater A10			
<b>California</b>			
Colorado River Front Work and Levee System	4,130	1,544	1,000
Mohave Valley Division Bankline Stabilization			
Red Bluff Diversion Dam	214,500	175,034	34,516
Sacramento River Division, Central Valley Project <sup>4/</sup>			
<b>Colorado</b>			
Animas-La Plata Project	586,277	546,580	10,664
Includes Navajo Nation Municipal Pipeline <sup>4/</sup>			
Orchard Mesa Irrigation District	16,500	5,000	5,754
Canal Automation and System Improvements			
<b>New Mexico</b>			
Navajo-Gallup Water Supply Project	870,000	13,625	24,797
<b>Safety of Dams</b>			
California			
Folsom Dam <sup>4/</sup>	326,000	211,000	27,500
Oregon			
A.R. Bowman Dam	3,700	3,100	600
Utah			
Echo Dam	56,800	21,600	10,000
Wyoming			
Glendo Dam	42,000	26,300	10,700
<b>TOTAL, BUREAU OF RECLAMATION</b>			<b>125,863</b>
<b>CENTRAL UTAH PROJECT</b>			
Central Utah Project	805,574	457,371	28,495
<b>TOTAL, CENTRAL UTAH PROJECT</b>			<b>28,495</b>

**CONSTRUCTION PROGRAM**

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*<sup>1/</sup> Through 2011 data includes the 2011 President's budget request amount.*

*<sup>2/</sup> Indian Affairs does not provide cost estimates for construction projects until the planning and design for a project has progressed to the point where an accurate cost estimate can be made.*

*<sup>3/</sup> Projects include only construction funding and therefore may differ from funding amounts shown in the Highlights of Budget Changes section.*

*<sup>4/</sup> Projects also obtained funding through the American Recovery and Reinvestment Act of 2009.*

# RECREATIONAL FEE PROGRAM

(in thousands of dollars)

<b>Bureau</b>	<b>2010 Actual</b>	<b>2010 Enacted/ 2011 CR</b>	<b>2012 Estimate</b>
<b>BUREAU OF LAND MANAGEMENT</b>			
Unobligated Balance Brought Forward and Recoveries .....	11,964	13,134	14,268
Plus: Fee Revenues.....	+16,648	+17,100	+17,500
America the Beautiful Pass.....	[800]	[800]	[800]
Less: Funds Obligated .....	-15,478	-15,966	-17,331
Unobligated Balance .....	13,134	14,268	14,437
Total Expenditures (outlays).....	16,648	16,260	15,930
<i>Obligations by Type of Project</i>			
Asset Repair and Maintenance			
Facilities Routine and Annual Maintenance.....	3,404	3,500	3,900
Facilities Capital Improvements Health and Safety .....	9	11	11
Facilities Deferred Maintenance.....	618	600	710
Subtotal, Asset Repair and Maintenance .....	4,031	4,111	4,621
Interpretation and Visitor Services .....	4,797	4,900	5,000
Habitat Restoration, Resource Protection .....	773	850	900
Law Enforcement, Recreation.....	2,630	2,700	3,000
Direct Operation Costs - Cost of Collection .....	309	305	310
Fee Management Agreement and Reservation Services.....	1,856	1,900	2,200
Administration, Overhead, and Indirect Costs.....	1,082	1,200	1,300
Total Obligations .....	15,478	15,966	17,331
<b>FISH AND WILDLIFE SERVICE</b>			
Unobligated Balance Brought Forward and Recoveries .....	5,956	5,833	4,655
Plus: Fee Revenues.....	+4,842	+4,800	+4,800
America the Beautiful Pass.....	[347]	[350]	[352]
Less: Funds Obligated .....	-4,965	-5,978	-5,148
Unobligated Balance .....	5,833	4,655	4,307
Total Expenditures (outlays).....	4,135	7,000	6,000
<i>Obligations by Type of Project</i>			
Asset Repair and Maintenance			
Facilities Routine and Annual Maintenance.....	951	836	880
Facilities Capital Improvements.....	370	944	566
Facilities Deferred Maintenance.....	490	381	57
Subtotal, Asset Repair and Maintenance .....	1,811	2,161	1,503
Interpretation and Visitor Services .....	1,571	2,375	1,855
Habitat Restoration .....	221	247	477
Law Enforcement .....	283	280	302
Direct Operation Costs - Cost of Collection .....	690	516	602
Fee Management Agreement and Reservation Services.....	9	9	9
Administration, Overhead and Indirect Costs .....	380	390	400
Total Obligations .....	4,965	5,978	5,148

## APPENDIX O

### Recreational Fee Program (in thousands of dollars)

Bureau	2010 Actual	2010 Enacted/ 2011 CR	2012 Estimate
<b>NATIONAL PARK SERVICE <sup>1/</sup></b>			
Unobligated Balance Brought Forward and Recoveries .....	221,236	145,517	92,473
Plus: Fee Revenues .....	+169,106	+167,000	+168,187
America the Beautiful Pass.....	[27,121]	[27,121]	[27,121]
Less: Funds Obligated (including transfers) .....	-244,825	-220,044	-170,000
Unobligated Balance.....	145,517	92,473	90,660
Total Expenditures (outlays).....	213,990	165,000	165,000
<i>Obligations by Type of Project</i>			
Asset Repair and Maintenance			
Facilities Routine and Annual Maintenance.....	4,200	4,000	3,600
Facilities Capital Improvements.....	16,000	10,000	4,500
Facilities Deferred Maintenance.....	93,334	85,000	72,000
Subtotal, Asset Repair and Maintenance .....	113,534	99,000	80,100
Interpretation and Visitor Services .....	45,500	36,544	26,000
Habitat Restoration .....	25,400	25,000	18,900
Direct Operation Costs - Cost of Collection .....	33,939	34,000	31,050
Law Enforcement .....	1,500	1,000	900
Fee Management Agreement and Reservation Services.....	5,452	5,000	4,500
Administration, Overhead, and Indirect Costs.....	9,500	9,500	8,550
Total Obligations .....	234,825	210,044	170,000
Transfer to Park Partnership projects <sup>2/</sup> .....	10,000	10,000	0
Total Obligations with Transfers.....	244,825	220,044	170,000

### BUREAU OF RECLAMATION

Unobligated Balance Brought Forward and Recoveries .....	364	611	0
Plus: Fee Revenues .....	+543	+900	+900
Less: Funds Obligated .....	-296	-1,511	-900
Unobligated Balance.....	611	0	0
Total Expenditures (outlays).....			
	177	1,465	900
<i>Obligations by Type of Project</i>			
Visitor Services.....	296	1,511	900
Total Obligations .....	296	1,511	900

<sup>1/</sup> The above information represents accounting changes per FLREA that combine Recreation Fee, National Park Pass, America the Beautiful Pass, and Deed Restricted revenues when reporting obligations and unobligated balances for the Recreation Fee program. This table does not include other programs administered under the Recreation Fee Permanent account such as the Transportation Systems Fund, Education Expenses for the Children of Yellowstone National Park Employees, and the Payment of Tax Losses on Land Acquired at Grand Teton National Park.

<sup>2/</sup> For 2010, \$10.0 million was transferred from unobligated balances to the Park Partnership Project Grant Program. This assumes the same action will occur in 2011 under the CR.

# GRANTS AND PAYMENTS

(in thousands of dollars)

Bureau/Grant or Payment	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>BUREAU OF LAND MANAGEMENT</b>				
General Fund Payment to Counties and Native Corporations.....	80,384	75,077	31,689	-43,388
Payments to States and Counties from Shared Receipts including SNPLMA Payments.....	19,895	14,412	12,848	-1,564
<b>BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT</b>				
8(g) Payments to States .....	46,787	1/	1/	1/
Cooperative and Delegated Audits of Oil and Gas Operations .....	9,700	1/	1/	1/
Mineral Revenue Payments to States <sup>2/</sup> .....	1,786,228	1/	1/	1/
Geothermal Payments to Counties.....	6,849	1/	1/	1/
Qualified OCS Revenue Payments to Gulf of Mexico States .....	2,730	1/	1/	1/
Coastal Impact Assistance Program.....	250,000	0	0	0
<b>OFFICE OF SURFACE MINING</b>				
Abandoned Mine Reclamation State Grants .....	369,014	395,633	313,800	-81,833
State and Tribal Regulatory Grants .....	71,314	71,314	60,323	-10,991
<b>BUREAU OF RECLAMATION</b>				
Boulder Canyon Project Payments to AZ, NV .....	600	600	600	0
Title XVI Water Reclamation and Reuse Program .....	13,595	29,000	29,000	0
WaterSMART Grants.....	18,000	27,000	18,500	-8,500
<b>FISH AND WILDLIFE SERVICE</b>				
Boating Infrastructure Grants .....	13,061	12,724	13,054	+330
Clean Vessel Act Grants .....	13,061	12,724	13,054	+330
Coastal Wetlands Conservation .....	36,242	35,310	36,226	+916
Cooperative Endangered Species Conservation Fund .....	82,146	82,146	96,646	+14,500
Federal Aid in Wildlife Restoration Payments to States .....	464,340	375,830	365,817	-10,013
National Fish and Wildlife Foundation.....	7,537	7,537	8,537	+1,000
Fish Commission and Boating Council .....	1,200	1,200	1,200	0
Hunter Education and Safety Grant Program.....	8,000	8,000	8,000	0
Multi-State Conservation Grant Program.....	6,000	6,000	6,000	0
Multinational Species Conservation Fund <sup>3/</sup> .....	11,500	11,500	9,750	-1,750
National Outreach Program.....	13,061	12,724	13,054	+330
National Wildlife Refuge Fund (current and permanent) .....	19,486	16,187	2,889	-13,298
Neotropical Migratory Bird Conservation <sup>3/</sup> .....	5,000	5,000	5,000	0
North American Wetlands Conservation Fund.....	51,576	46,431	49,000	+2,569
Sport Fish Restoration, Apportionment to States.....	388,360	362,641	372,048	+9,407
State and Tribal Wildlife Grants <sup>3/</sup> .....	90,000	90,000	95,000	+5,000
<b>NATIONAL PARK SERVICE</b>				
American Battlefield Program Matching Grants				
LWCF.....	9,000	9,000	10,000	+1,000
Non-LWCF.....	1,360	1,360	1,360	0
Challenge Cost Share .....	2,344	2,344	2,300	-44
Chesapeake Bay Gateway Grants.....	1,000	1,000	2,000	+1,000
Heritage Partnership Program.....	16,805	16,805	7,994	-8,811
Historic Preservation Grants - Indian Tribes .....	8,000	8,000	11,000	+3,000

## APPENDIX P

### GRANTS AND PAYMENTS (in thousands of dollars)

Bureau/Grant or Payment	2010 Actual	2010 Enacted/ 2011 CR	2012 Request	Change
<b>NATIONAL PARK SERVICE (continued)</b>				
Historic Preservation Grants - States and Territories .....	46,500	46,500	50,000	+3,500
Japanese-American Confinement Site Grants .....	3,000	3,000	3,000	0
LWCF State Conservation Grants.....	37,200	37,200	195,000	+157,800
LWCF State Conservation Grants from OCS				
Oil Lease Revenues .....	883	221	97	-124
Native American Graves Protection Act Grants .....	2,331	2,331	1,750	-581
Park Partnership Grants <sup>4/</sup> .....	15,000	15,000	0	-15,000
Preserve America .....	4,600	4,600	0	-4,600
Save America's Treasures .....	25,000	25,000	0	-25,000
<b>OFFICE OF THE SECRETARY - OFFICE OF NATURAL RESOURCES REVENUE</b>				
8(g) Payments to States .....	0	273,430	317,546	+44,116
Cooperative and Delegated Audits of Oil and Gas Operations .....	0	10,000	12,255	+2,255
Mineral Revenue Payments to States <sup>2/</sup> .....	0	1,873,963	2,082,713	+208,750
Geothermal Payments to Counties.....	0	6,450	0	-6,450
Qualified OCS Revenue Payments to Gulf of Mexico States (GOMESA) .....	0	300	1,058	+758
<b>OFFICE OF INSULAR AFFAIRS</b>				
American Samoa .....	22,752	22,752	22,752	0
Brown Tree Snake .....	3,000	3,000	3,000	0
Compact of Free Association (permanent).....	200,718	203,361	232,133	+28,772
Compact of Free Association (current) .....	17,318	17,318	3,054	-14,264
Coral Reef Initiative.....	1,000	1,000	1,000	0
Covenant Grants .....	27,720	27,720	27,720	0
Insular Management Controls .....	0	0	0	0
Maintenance Assistance Fund .....	2,241	2,241	2,241	0
Return Federal Taxes to Guam and Virgin Islands .....	187,024	145,000	145,000	0
Technical Assistance .....	15,302	15,302	13,804	-1,498
Water and Wastewater Projects.....	1,900	1,900	0	-1,900
Guam Infrastructure.....	2,000	2,000	0	-2,000
Empowering Insular Communities.....	0	0	4,120	+4,120
<b>DEPARTMENT-WIDE PROGRAMS</b>				
Rural Fire Assistance .....	7,000	7,000	0	-7,000
Payments in Lieu of Taxes (permanent) .....	358,079	368,833	379,910	+11,077
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>4,904,743</b>	<b>4,852,921</b>	<b>5,094,842</b>	<b>+241,921</b>

<sup>1/</sup> In 2011 the Office of Natural Resources Revenue was transferred from BOEMRE to the Office of the Secretary.

<sup>2/</sup> Figures include receipts for sales in the National Petroleum Reserve - Alaska, Mineral Leasing Associated Payments, National Forest Fund Payments to States, and Payments to States from Lands Acquired for Flood Control, Navigation, and Allied Purposes.

<sup>3/</sup> Amounts shown include administrative costs.

<sup>4/</sup> The 2010 actual level includes \$10.0 million in recreation fee receipts. The 2010 Enacted/2011 CR continues this funding level.

# RECEIPTS BY SOURCE CATEGORY

(in thousands of dollars)

Source Category	2010 Actual	2011 Estimate	2012 Estimate	Change
<b>OFFSETTING RECEIPTS</b>				
Onshore Energy Mineral Leasing				
Rents and Bonuses				
Oil and Gas.....	220,739	102,363	100,028	-2,335
Coal .....	106,891	246,330	292,104	+45,774
Geothermal.....	14,378	13,754	13,854	+100
All Other.....	34,984	125	125	0
Royalties				
Oil and Gas.....	2,479,823	2,634,828	2,984,670	+349,842
Coal .....	709,654	717,215	748,730	+31,515
Geothermal.....	12,188	11,920	12,416	+496
All Other.....	0	94,775	94,775	0
Subtotal, Onshore Energy Mineral Leasing .....	3,578,657	3,821,310	4,246,702	+425,392
Noncompetitive Filing Fees .....	23	100	100	0
Grazing Fees .....	15,358	13,976	13,976	0
Timber Fees.....	20,479	20,398	15,942	-4,456
Recreation Entrance/Use Fees.....	190,583	190,386	190,973	+587
Park Concession Special Accounts and Other Fees .....	132,111	132,519	130,239	-2,280
Rent of Land and Structures.....	38,352	39,901	40,714	+813
Sale of Land, Water, Power, Buildings, etc .....	191,479	208,826	220,894	+12,068
Offsetting Earnings on Investments.....	101,445	94,954	103,669	+8,715
All Other Offsetting Receipts.....	890,197	2,881,449	869,921	-2,011,528
Subtotal, Offsetting Receipts .....	5,158,684	7,403,819	5,833,130	-1,570,689
<b>UNDISTRIBUTED PROPRIETARY RECEIPTS</b>				
OCS Mineral Leasing				
Rents and Bonuses.....	1,072,594	77,940	1,297,430	+1,219,490
Royalties.....	3,810,419	5,145,835	6,021,450	+875,615
Fee on Non-Producing Leases .....	0	0	24,560	+24,560
Subtotal, OCS Mineral Leasing .....	4,883,013	5,223,775	7,343,440	+2,119,665
Escrow Payout Interest .....	32,719	0	0	0
Subtotal, Undistributed Proprietary Receipts.....	4,915,732	5,223,775	7,343,440	+2,119,665
<b>NON-OFFSETTING GOVERNMENTAL RECEIPTS</b>				
Mined Land Reclamation Fees.....	251,784	269,201	274,955	+5,754
All Other Non-Offsetting Receipts.....	720,250	492,000	542,000	+50,000
Subtotal, Non-Offsetting Governmental Receipts.....	972,034	761,201	816,955	+55,754
<b>UNDISTRIBUTED INTERFUND RECEIPTS</b>				
Non-offsetting Earnings on Investments .....	37,415	81,896	76,340	-5,556
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>11,083,865</b>	<b>13,470,691</b>	<b>14,069,865</b>	<b>+599,174</b>



# MINERAL REVENUE PAYMENTS TO STATES<sup>1/</sup>

(in thousands of dollars)

State	2010 Actual	2011 Estimate	2012 Estimate
Alabama.....	5,003	5,316	5,909
Alaska .....	35,662	19,461	20,997
Arizona .....	26	29	32
Arkansas.....	3,107	2,128	2,342
California.....	61,634	66,964	74,460
Colorado.....	133,634	145,188	161,438
Florida.....	47	51	57
Idaho .....	3,987	4,331	4,816
Illinois .....	262	22	24
Indiana.....	8	3	4
Kansas.....	1,462	1,578	1,755
Kentucky .....	136	47	51
Louisiana .....	3,123	3,165	3,517
Michigan.....	466	454	503
Minnesota.....	13	6	6
Mississippi.....	635	283	304
Missouri.....	3,288	1,320	1,409
Montana.....	43,765	47,550	52,872
Nebraska.....	163	177	197
Nevada.....	12,964	14,085	15,662
New Mexico .....	380,694	413,619	459,915
North Dakota.....	37,796	19,310	21,444
Ohio.....	377	64	69
Oklahoma.....	2,780	2,741	3,046
Oregon .....	330	358	398
Pennsylvania.....	87	19	20
South Carolina .....	1	0	0
South Dakota .....	768	834	927
Texas.....	14,856	6,058	6,517
Utah.....	142,697	155,038	172,391
Virginia .....	59	13	14
Washington .....	87	95	106
West Virginia.....	404	84	91
Wyoming .....	886,871	963,573	1,071,424
<b>TOTAL .....</b>	<b>1,777,192</b>	<b>1,873,964</b>	<b>2,082,717</b>

<sup>1/</sup> Payments include Mineral Leasing Associated Payments, National Forest Fund Payments to States and Payments to States from Lands Acquired for Flood Control, Navigation and Allied Purposes. Payments reflect the Net Receipts Sharing provision in the 2010 Enacted/2011 CR and proposed in the 2012 President's Budget.



# STAFFING<sup>1/</sup>

(Full-Time Equivalent Staff Years)

Bureau/Office	2010 Usage	2011 Estimated Usage	2012 Estimated Usage	Change
Bureau of Land Management.....	11,032	10,807	10,609	-198
Bureau of Ocean Energy Management, Regulation and Enforcement <sup>2/3/</sup> .....	1,703	1,714	1,417	-297
Office of Surface Mining <sup>3/</sup> .....	521	521	528	+7
Bureau of Reclamation .....	5,283	5,154	5,168	+14
U.S. Geological Survey .....	8,600	8,563	8,333	-230
Fish and Wildlife Service.....	9,256	9,134	9,251	+117
National Park Service .....	22,211	21,668	21,866	+198
Bureau of Indian Affairs.....	8,474	8,158	8,088	-70
Departmental Offices				
Office of the Secretary <sup>2/</sup> .....	767	884	1,549	+665
Trust Land Consolidation Fund.....	0	11	44	+33
Central Utah Project .....	5	5	5	0
Office of Insular Affairs.....	38	41	43	+2
Office of the Solicitor .....	418	414	422	+8
Office of Inspector General.....	291	287	288	+1
Office of the Special Trustee for American Indians.....	684	710	710	0
Department-wide Programs				
Wildland Fire Management.....	10	13	13	0
Payments in Lieu of Taxes .....	1	1	1	0
Central Hazardous Materials Fund.....	5	5	5	0
Natural Resource Damage Assessment.....	9	10	10	0
Working Capital Fund/Franchise Fund.....	1,448	1,417	1,407	-10
National Indian Gaming Commission.....	112	123	123	0
<b>TOTAL, DEPARTMENT OF THE INTERIOR.....</b>	<b>70,868</b>	<b>69,640</b>	<b>69,880</b>	<b>+240</b>
Utah Mitigation Commission.....	10	12	12	0
<b>COMBINED TOTAL.....</b>	<b>70,878</b>	<b>69,652</b>	<b>69,892</b>	<b>+240</b>

<sup>1/</sup> All FTE numbers include allocated, mandatory and reimbursable FTE. The 2010 and 2011 estimates include amendments and known changes from the President's Budget, including BOEMRE. Amounts shown include FTE associated with ARRA.

<sup>2/</sup> The 2012 FTE amount reflects the transfer of the Office of Natural Resources Revenue from BOEMRE to the Office of the Secretary.

<sup>3/</sup> The 2012 FTE for BOEMRE and OSM do not match the President's Budget Appendix but accurately reflect the FTE associated with the request.





